CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLES

UK balance of payments in the third quarter 1982

The effects of taxes and benefits on household income, 1981

International comparisons of taxes and social security contributions in 18 OECD countries, 1970-80

No 350
December 1982
HMSO £9.75 net

A publication of the Government Statistical Service

Release dates of economic statistics to be published in January 1983

This is issued by the Central Statistical Office on behalf of the Government Statistical Service and other organisations as a guide to the publication dates of major economic series in January 1983. The dates are targets which are correct at time of going to press. Exceptionally, there may be delays due to unavoidable statistical problems. Enquiries about release of individual series should be made to the source named.

Publication date	Series	Method of release	Source
January 1983			
Tues 4	London clearing banks' monthly statement (mid-December)	PN	CLCB
	Provisional estimates of monetary aggregates (mid-December)	PN	Bank of England
Wed 5	UK official reserves (December)	PN	HM Treasury
	Capital issues and redemptions (during the month of December)	PN	Bank of England
	Advance energy statistics (November)	PN	D of Energy
Thurs 6	Unemployment (December – provisional)	PN	D of Employment
	Unfilled vacancies (December – provisional)	PN	D of Employment
	Quarterly analysis of bank advances (mid-November)	PN	Bank of England
	Personal income, expenditure and saving (3rd quarter)	PN	CSO
	Industrial and commercial companies appropriation account (3rd quarter)	PN	CSO
Fri 7	Housing starts and completions (November)	PN	D of the Environment
	Car and commercial vehicle production (November – final)	*British business*	D of Industry
	Slum Clearance (1981/82)	PN	D of the Environment
Mon 10	Wholesale price index numbers (December – provisional)	PN	D of Industry
Tues 11	Retail Sales (November – final)	PN	D of Trade
	Provisional figures of vehicle production (December)	PN	D of Industry
	Hire purchase and other instalment credit business (November)	PN	D of Trade
Wed 12	Central Government transactions (including borrowing requirement) (December)	PN	HM Treasury
	Index of industrial production for Wales (3rd quarter)	PN	Welsh Office
Thurs 13	UK banks' assets and liabilities and the money stock (mid-December)	PN	Bank of England
	London dollar and sterling certificates of deposit (mid-December)	PN	Bank of England
	Building Societies' monthly figures (December)	PN	BSA
Fri 14	Usable steel production (December)	PN	BSC/BISPA
	Finished steel consumption and stock changes (3rd quarter – final)	*British business*	D of Industry
Mon 17	Retail sales (December – provisional)	PN	D of Trade
Tues 18	Index of industrial production (November – provisional)	PN	CSO
Wed 19	Indices of average earnings (November)	PN	D of Employment
	Indices of basic rates of wages (December)	PN	D of Employment
	Construction – new orders (November)	PN	D of the Environment
	Industrial and commercial companies capital account and net borrowing requirement (3rd quarter)	PN	CSO
Thurs 20	Cyclical indicators for the UK economy (December)	PN	CSO
	Preliminary estimates of consumers' expenditure (4th quarter)	PN	CSO
	Public sector borrowing requirement and details of local authority borrowing (4th quarter)	PN	CSO
Fri 21	Retail prices index (December)	PN	D of Employment
	Tax and price index (December)	PN	CSO
Sun 23	Department for National Savings' monthly progress report (December)	PN	D for National Savings
Mon 24	Institutional investment (3rd quarter)	PN	CSO
Tues 25	New vehicle registrations (December)	PN	D of Transport
	Bricks and cement production (4th quarter)	PN	D of the Environment
Thurs 27	Energy Trends (November)	PN	D of Energy
	Unemployment and unfilled vacancies (December – final)	*Gazette*	D of Employment
	Stoppages of work due to industrial disputes (December)	*Gazette*	D of Employment
	Overtime and short-time working in manufacturing industries (November)	*Gazette*	D of Employment
	Employment in the production industries (November)	*Gazette*	D of Employment
Fri 28	Sales and orders in the engineering industries (October)	*British business*	D of Industry
	Car and commercial vehicle production (December – final)	*British business*	D of Industry

The Department of Trade will announce the release of the next Balance of Payments and overseas trade figures press notice.

PN—Press Notice.

CENTRAL STATISTICAL OFFICE

Economic Trends

No 350
December 1982

London: Her Majesty's Stationery Office

© Crown copyright 1982

First published 1982

Brief extracts from this publication may be reproduced provided the source is fully acknowledged. Proposals for reproduction of larger extracts should be addressed to Copyright Section, Her Majesty's Stationery Office, St. Crispins, Duke Street, Norwich NR3 1PD

Government Statistical Service

A service of statistical information and advice is provided to Government by specialist staffs employed in the statistics divisions of individual Departments. Statistics are made generally available through their publications and further information and advice on them can be obtained from the Department concerned.

The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone 01-233 7233.

Enquiries about orders and subscriptions for *Economic Trends* and other Central Statistical Office publications should be made either to:

Open University Educational Enterprises Ltd., 12 Cofferidge Close, Stony Stratford, Milton Keynes, MK11 1BY (Telephone: Milton Keynes 566744).

or to

Her Majesty's Stationery Office, PO Box 569, London, SE1 9NH (Telephone: 01-928 6977, extension 295 or 312 for subscriptions and standing orders; 01-928 1321 for orders)

ISBN 0 11 620022 7
ISSN 0013-0400

Introduction

Economic Trends brings together all the main economic indicators.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a calendar of recent economic events. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier.

- The main section shows the movements of the key economic indicators over the last five years or so. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

- A further chart shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 18 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. The main tables and charts in this issue contain information available to the CSO on 17 December. The 'Latest developments' section may contain later information.

2. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

5. 'Billion' denotes one thousand millions.

Corrections to the November issue

Page 93

Table: Estimated GDP per head, by county, 1977 and 1979
1977, West Midlands
delete 2,542, **insert** 2,442

Page 108

Gross domestic fixed capital formation by selected industry groups
1979, England, Mining and Quarrying
delete 633, **insert** 632

Symbols used:

..	not available or not meaningful
—	nil or less than half the final digit shown
§	series for which measures of variability are given on page 70
†	indicates that the data have been revised since last issue; the period marked is the earliest in the table to have been revised

The Editor would welcome readers' suggestions for improvements to *Economic Trends*

Contents

Page

Introduction 1

Latest developments in the economy 3

Selected monthly indicators 5

Tables and charts

Gross domestic product at market prices and at factor cost, total home costs and national disposable income revalued at 1975 market prices 6
Expenditure on the gross domestic product 8
Personal disposable income and consumption 10
Real consumers' expenditure—component categories 10
Retail sales, new registrations of cars and hire purchase debt 12
Gross domestic product and shares of income and expenditure 14
Income, product and spending *per capita* 14
Gross domestic fixed capital formation by sector and by type of asset 16
Indicators of fixed investment by manufacturing industry 18
Department of Industry inquiry into investment intentions: manufacturing industry 18

Indicators of fixed investment in dwellings 20
Stock changes 22
Stock ratios 22
Inland energy consumption 24
Index of industrial production 26
Index numbers of output 28
Engineering and construction: output and orders 30
Motor vehicle production and steel production and consumption 32
Output per person employed 34

National employment and unemployment 36
Regional unemployment rates 38
Wage rates and earnings 40
Prices 42
Visible trade 44
Measures of UK trade competitiveness 46
Balance of payments: current account 48
Sterling exchange rates and the UK official reserves 50
Money stock and liquidity 52
Counterparts to money stocks 54

General government receipts and expenditure 56
Financial transactions of the public sector 56
Summary capital accounts and financial surplus or deficit: analysis by sector 58
Appropriation account of industrial and commercial companies 60
Capital account and net acquisition of financial assets of industrial and commercial companies 62
Net borrowing requirements of industrial and commercial companies 62
UK banks' lending to UK residents 64
UK banks' advances and acceptances to UK residents 64
Interest rates, security prices and yields 66

Cyclical indicators for the UK economy 68

Measures of variability of selected economic series 70

Articles

UK balance of payments in the third quarter of 1982 72
The effects of taxes and benefits on household income, 1981 94
International comparisons of taxes and social security contributions in 18 OECD countries, 1970–80 127

Index of Sources 139

Other

Release dates of economic statistics to be published in January 1983 *inside front cover*
Articles published in recent *Economic Trends* *inside back cover*

Latest developments in the economy[1]

Data available at 23 December 1982

Output

Output of the whole economy is estimated to have risen by nearly ½ per cent between the second and third quarters of 1982. Output in the third quarter was about 1¼ per cent above its low point of Spring 1981. Industrial output increased slightly in the third quarter despite a further small fall in manufacturing. Construction activity rose by 3½ per cent and there was an increase in mining and quarrying output. Activity increased substantially in the distributive trades (up 2 per cent) and motor trades but output of the strike-affected transport and communications sector fell back about 1½ per cent. Overall the output of the service industries was about ½ per cent above its second quarter level.

The all-industries' index of production in the three months to October was ½ per cent higher than in the previous three months, suggesting that the underlying level of output, adjusted for changes in stocks, was 2 to 2½ per cent above its trough in the second quarter of 1981.

Balance of payments

The current account for November is estimated to have been in surplus by £700 million compared with £489 million in October. In the three months September to November, the current account was in surplus by £1,647 million compared with £810 million in the previous three month period. The surplus on invisibles in the three months September to November is projected at £661 million. In November, visible trade was in surplus by £470 million, having been in surplus by £259 million in October. The surplus on trade in oil was virtually unchanged at approximately £500 million and the deficit on trade in non-oil goods was reduced from £237 million to £36 million. The value of exports in November was £4,934 million, which was 5 per cent above the level in October and a substantial and unusual part of the increase in November was £80 million in exports of unwrought silver. Total imports in November were £4,464 million, just £20 million higher than in October. In the three months September to November, total export volume was 6 per cent above the level in the previous three months – although the August figure was particularly low. Overall the underlying level of total export volume is now much the same as in the Spring. Import volume in the latest three month period is some 1½ per cent higher than that recorded in the previous three months. The underlying level however has changed little during 1982.

Consumers' expenditure

The provisional estimate of the volume of retail sales in November is 109½, continuing the higher level of trade which began in August. In the latest three months, retail sales were 1½ per cent higher than in the previous three months and slightly more than 3 per cent higher than in the corresponding period of 1981.

The volume of consumers' expenditure increased by about 1½ per cent between the second and third quarters. This partly reflects the increase in retail sales. The extra spending was concentrated mainly on durable goods (including cars). Expenditure on these items increased 12 per cent. Expenditure on fuel and light increased but spending on food fell by 3½ per cent, to the level of the first quarter.

Companies

In the third quarter of 1982 the Department of Industry's survey of company liquidity showed a further significant deterioration and the liquidity ratio fell to its lowest level since the third quarter of 1980. The fall in the liquidity ratio from the beginning of the quarter to the end was from 86 to 76 for all survey companies, from 90 to 75 for manufacturing companies and from 80 to 78 for non-manufacturing companies.

Company gross trading profits grew by over 10 per cent between the second and third quarter. This increase was largely accounted for by a substantial per cent rise in the profits of companies operating in the North Sea, which benefitted from a rise in the sterling price of oil.

Earnings and wage rates

The whole economy index of average earnings in October at 229·0 (January 1976 = 100) was 1·0 per cent above September and 7·3 per cent above its October 1981 level. The underlying increase in average earnings over this period, allowing for temporary factors such as back-pay and variations in the timing of pay settlements, was approximately 8¾ per cent. Nationally-negotiated basic weekly wages for manual workers (not seasonally adjusted) at the end of November were on average 4·2 per cent higher than a year earlier.

Official reserves and exchange rate (not seasonally adjusted)

The UK official reserves fell by $487 million in November to $18,006 million. The level of the reserves was affected by repayments of borrowing under the exchange cover scheme amounting to $148 million.

Up to 22 December the average sterling effective exchange rate for December was 4.0 per cent lower than that for November.

Prices (not seasonally adjusted)

The retail prices index for November was 326·1 (January 1974=100), a rise of 0·5 per cent on October and an increase of 6·3 per cent on November 1981.

The tax and price index for November was 170·9 (January 1978=100), 6·7 per cent up on November 1981.

The price index for materials and fuel purchased by manufacturing industry increased by 2·1 per cent between October and November; over two-thirds of this increase was due to a higher sterling price for crude oil caused by the depreciation of sterling against the dollar. The change in the index over a 12-month period increased from 3·4 per cent in October to 6·2 per cent in November.

The wholesale price index for home sales of manufactured products increased by 0·5 per cent between October and November. The change in the index over a 12-month period fell from 7·6 per cent in October to 7·4 per cent in November.

Unemployment and vacancies

Unemployment in the United Kingdom (excluding school leavers) rose by 17,300 from October to November to 2,902,700. Vacancies notified to employment offices rose by 500 to 114,400.

---

[1] All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Financial aggregates

During banking October and banking November (four weeks to 17 November) taken together, sterling M3 rose by an average of £770 million or 0·9 per cent a month. The two months have been combined because the growth in the monthly aggregates in banking October was distorted upwards by the oversubscription of the sale of shares in Standard Telephones and Cables (STC) plc and that distortion should have been unwound during the following few days in banking November, which was distorted correspondingly downwards. Over the nine months since mid-February, sterling M3 has grown at an annual rate of 11½ per cent.

PSL2 rose by an average 0·7 per cent a month in banking October and November; since mid-February PSL2 has grown at an annual rate of 9 per cent. M_1 rose by an average 1·4 per cent a month in October and November; since mid-February M_1 has grown at an annual rate of 11¼ per cent. PSL1 rose by an average 0·4 per cent a month in October and November, M2 (not seasonally adjusted) rose by an average 0·3 per cent over the two months. Domestic credit expanded by £1,261 million in November.

The net effect of public sector transactions as a whole was contractionary in November after an expansion in October. The central government borrowing requirement was £1,030 million in November whilst the direct contribution of local authorities and public corporations to the public sector borrowing requirement (net of non-bank private sector purchases of their debt) was contractionary for the sixth consecutive month, at −£600 million. The non-bank private sector's net purchases of central government debt totalled £860 million.

Sterling lending to the private sector, which was affected by the STC distortion, rose by an average of £1,540 million in October and November.

External and foreign currency finance was contractionary in October and November, −£310 million a month on average.

Stockbuilding

Revised figures show that the level of stocks held by manufacturers, retailers and wholesalers fell by about £410 million at 1975 prices in the third quarter. This destocking, equivalent to almost one and a half per cent of the stock level at the start of the quarter, was brought about by a substantial reduction in manufacturers' stocks, a fall in retailers' stocks of the same size as the rise in the second quarter and a small reduction in wholesalers' stocks. Manufacturers reduced their stocks by around £340 million in the third quarter; the reduction was comparable in size to the destocking in each of the first two quarters of 1981. Wholesalers' stocks fell by £6 million in the third quarter following a drop of £90 million in the second quarter. Retail stocks fell by £64 million in the third quarter offsetting the rise of £64 million in the second quarter. As retail sales rose by almost 2½ per cent in the third quarter, the ratio of stocks to sales fell to its lowest level for some years.

Capital expenditure

Capital expenditure by the manufacturing, distributive and service industries (including shipping) in the third quarter of 1982 is £2,414 million at 1975 prices, nearly 4 per cent higher than the level in the second quarter. Of this total, over 70 per cent was accounted for by the distributive and service industries. Capital expenditure in the latest six months was 2 per cent below that in the preceding six months owing to the low second quarter figure. Manufacturers' total investment (taking account of the leasing of assets from the service industries) was £825 million in the third quarter; comparison of the latest six months with the previous six months shows a fall of 4½ per cent. Investment by the distributive and service industries (excluding shipping) for the third quarter was £1,739 million, 6 per cent above the second quarter; comparison on a six-monthly basis shows that the volume of investment was unchanged. Investment by the shipping industry in the third quarter is £24 million, much the same as in the previous quarter.

Economic events

November

19 Telecommunications Bill published.

26/29 The clearing banks announced rises in base rates to 10/10¼%.

29 GATT conference closed, with statement reaffirming opposition to protectionism. The conference agreed on a new agriculture committee to examine farm export and other subsidies over the next two years, and on a framework for one-year negotiations at official level to set conditions for measures against import surges.

December

3 The Government announced go-ahead for cable television, and new authority to supervise operations.

14 White Paper published, 'Falklands Campaign: the Lessons'.
Over £1,000 million to be spent on making good Falklands defence losses.

Selected monthly indicators[1]

		Seasonally adjusted					Unadjusted					Seasonally adjusted	
		1978 = 100	1975 = 100	Thousands		Jan. 1976 = 100	1975 = 100	Jan. 1974 = 100	Jan. 1978 = 100	1975 = 100	$ billion	£ million	
		Volume of retail sales (GB)[2],[3] §	Index of Industrial production[4] §	Unemployment[5] § [6]	Vacancies[7] § [6]	Average earnings (whole economy: GB)[8]	Wholesale price of materials and fuel[9]	Retail price index (all items)	Tax and price index	Sterling effective exchange rate	U.K. official reserves[10]	Balance of payments Current balance	Money stock sterling M_3
1981	A	105·7	100·2	2,514·2	98·5	211·4	236·8	299·3	155·5	91·2	24·5	− 209	73,260
	S	105·9	101·0	2,554·6	97·8	212·1	237·9	301·0	156·6	88·1	23·7	+ 235	74,900
	O	106·2	102·0	2,582·8	100·6	213·4	238·2	303·7	158·2	88·2	23·3	+ 738	75,980
													———[12]
	N	105·6	100·7	2,615·5	104·3	214·4	236·9	306·9	160·1	90·1	23·5	+ 108	83,380
	D	104·6	100·1	2,629·0	107·5	216·5	236·8	308·8	161·2	90·7	23·3	+ 651	83,820
1982	J	107·0	100·2	2,670·5	111·6	216·4	238·9	310·6	162·3	91·2	23·2	+ 23	84,750
	F	106·1	100·7	2,679·8	113·0	219·4	240·1	310·7	162·4	91·5	23·4	+ 313	84,780
	M	106·6	101·1	2,687·9	110·6	219·7	235·7	313·4	164·0	90·8	19·0	+ 397	85,290
	A	105·9	101·3	2,715·1	109·7	219·8	239·2	319·7	166·0	90·0	18·2	+ 479	85 750
	M	105·9	101·5	2,739·8	106·6	220·8	237·7	322·0	167·4	89·9	17·8	+ 145	86,720
	J	106·8	100·4	2,772·7	105·2	224·0	243·2	322·9	168·0	90·9	17·7	+ 263	87,390
	J	107·6	101·5	2,813·8	111·4	227·8	245·0	323·0	169·0	91·2	17·9	+ 379	88,070
	A	109·2	101·5	2,832·4	114·0	228·0	244·1	323·1	169·0	91·5	18·1	+ 168	89,270
	S	109·1	101·9	2,866·4	107·3	226·7	245·6	322·9	168·9	91·7	18·3	+ 458	90,300
	O	109·2	101·5	2,885·4	113·9	229·0[13]	246·4[13]	324·5	169·9	92·5	18·5	+ 459	91,830
	N	109·5[13]		2,902·7[13]	114·4		251·6[13]	326·1	170·9	89·5	18·0		91,880
		Percentage change, latest three months on previous three months											
1981	A	*+ 0·4*	*+ 0·4*	*+ 7·3*	*− 1·2*	*+ 3·9*	*+ 5·2*	*+ 2·5*	..	*− 6·3*	..	..	*+ 3·9*
	S	*+ 0·7*	*+ 0·6*	*+ 6·5*	*+ 7·8*	*+ 4·2*	*+ 4·5*	*+ 1·7*	..	*− 7·4*	..	..	*+ 4·4*
	O	*+ 1·1*	*+ 1·0*	*+ 5·4*	*+10·9*	*+ 4·5*	*+ 3·5*	*+ 1·9*	..	*− 6·8*	..	..	*+ 4·6*
													———[12]
	N	*+ 0·6*	*+ 0·9*	*+ 4·7*	*+ 9·6*	*+ 3·1*	*+ 1·9*	*+ 2·2*	..	*− 4·5*	..	..	*+ 8·1*
	D	*− 0·1*	*+ 0·4*	*+ 3·7*	*+ 8·0*	*+ 2·5*	*+ 0·6*	*+ 2·5*	..	*− 1·0*	..	..	*+10·2*
1982	J	*− 0·3*	*− 0·7*	*+ 3·4*	*+ 8·9*	*+ 1·6*	*− 0·0*	*+ 2·5*	..	*+ 1·8*	..	..	*+12·4*
	F	*− 0·1*	*− 0·9*	*+ 2·9*	*+ 9·7*	*+ 1·9*	*+ 0·4*	*+ 2·0*	..	*+ 2·6*	..	..	*+ 8·1*
	M	*+ 1·1*	*− 0·3*	*+ 2·7*	*+ 7·3*	*+ 1·7*	*+ 0·4*	*+ 1·7*	..	*+ 1·7*	..	..	*+ 4·8*
	A	*+ 0·6*	*+ 0·7*	*+ 2·1*	*+ 3·1*	*+ 1·8*	*+ 0·3*	*+ 1·9*	..	*+ 0·1*	..	..	*+ 1·5*
	M	*+ 0·4*	*+ 1·0*	*+ 2·0*	*− 1·6*	*+ 1·3*	*− 0·4*	*+ 2·7*	..	*− 1·0*	..	..	*+ 1·7*
	J	*− 0·4*	*+ 0·4*	*+ 2·4*	*− 4·0*	*+ 1·4*	*+ 0·8*	*+ 3·2*	..	*− 1·0*	..	..	*+ 2·0*
	J	*+ 0·5*	*+ 0·1*	*+ 3·0*	*− 3·1*	*+ 2·1*	*+ 1·5*	*+ 2·5*	..	*− 0·1*	..	..	*+ 2·5*
	A	*+ 1·5*	*− 0·2*	*+ 3·4*	*+ 1·1*	*+ 2·9*	*+ 2·8*	*+ 1·4*	..	*+ 1·1*	..	..	*+ 2·7*
	S	*+ 2·4*	*+ 0·6*	*+ 3·5*	*+ 3·5*	*+ 2·7*	*+ 2·0*[13]	*+ 0·5*	..	*+ 1·3*	..	..	*+ 3·0*
	O	*+ 2·3*	*+ 0·5*	*+ 3·1*	*+ 3·7*	*+ 1·6*[13]	*+ 1·4*[13]	*+ 1·0*	..	*+ 1 3*	..	..	*+ 3·5*
	N	*+ 1·4*[13]		*+ 2·8*	*+ 1·5*		*+ 1·5*[13]	*+ 1·0*	..	—	..	..	*+ 3·5*
		Percentage change, latest three months on corresponding period of previous year											
1981	A	*+ 0·8*	*− 5·0*	*+59·8*	*−30·4*	*+12·3*	*+15·7*	*+11·2*	*+14·7*	*− 2·7*	..	..	*+16·7*
	S	*+ 1·2*	*− 3·3*	*+54·6*	*−20·1*	*+11·4*	*+16·9*	*+11·2*	*+14·7*	*− 6·3*	..	..	*+15·8*
	O	*+ 1·6*	*− 1·4*	*+48·5*	*−11·2*	*+11·3*	*+17·8*	*+11·5*	*+15·0*	*− 9·0*	..	..	*+15·7*
													———[12]
	N	*+ 1·8*	*− 0·5*	*+42·6*	*− 2·5*	*+10·8*	*+17·5*	*+11·7*	*+15·3*	*−10·6*	..	..	*+19·2*
	D	*+ 1·1*	*− 0·5*	*+36·4*	*+ 4·9*	*+11·1*	*+16·7*	*+11·9*	*+15·5*	*−10·5*	..	..	*+21·8*
1982	J	*+ 0·3*	*− 0·5*	*+31·3*	*+ 8·9*	*+10·7*	*+15·3*	*+12·0*	*+15·6*	*−10·3*	..	..	*+25·1*
	F	*− 0·1*	*− 0·2*	*+27·2*	*+11·5*	*+10·8*	*+13·8*	*+11·7*	*+15·2*	*−10·3*	..	..	*+25·0*
	M	—	*+ 0·4*	*+23·7*	*+13·7*	*+11·1*	*+11·4*	*+11·1*	*+14·6*	*−10·1*	..	..	*+25·2*
	A	*+ 0·7*	*+ 0·7*	*+20·5*	*+16·1*	*+10·9*	*+ 9·5*	*+10·3*	*+12·5*	*− 9·7*	..	..	*+24·4*
	M	*+ 1·3*	*+ 1·3*	*+17·9*	*+17·0*	*+10·5*	*+ 7·1*	*+ 9·8*	*+11·0*	*− 9·1*	..	..	*+23·5*
	J	*+ 1·4*	*+ 1·1*	*+16·1*	*+19·9*	*+10·1*	*+ 6·3*	*+ 9·4*	*+ 9·7*	*− 7·7*	..	..	*+22·9*
	J	*+ 1·8*	*+ 1·0*	*+14·7*	*+20·7*	*+10·4*	*+ 5·4*	*+ 9·1*	*+ 9·6*	*− 5·1*	..	..	*+22·4*
	A	*+ 2·4*	*+ 0·8*	*+13·6*	*+19·8*	*+ 9·5*	*+ 4·7*	*+ 8·6*	*+ 9·2*	*− 1·9*	..	..	*+22·2*
	S	*+ 3·0*	*+ 1·1*	*+12·8*	*+15·0*	*+ 8·5*	*+ 3·8*[13]	*+ 8·0*	*+ 9·2*	*+ 1·0*	..	..	*+21·3*
	O	*+ 3·1*	*+ 0·6*	*+12·2*	*+12·8*	*+ 7·3*[13]	*+ 3·3*[13]	*+ 7·4*	*+ 9·1*	*+ 3·1*	..	..	*+21·1*
	N	*+ 3·2*[13]		*+11·6*	*+10·9*		*+ 4·3*[13]	*+ 6·7*	..	*+ 2·7*	..	..	*+17·0*

---

[1] Data given may not be wholly consistent with that shown elsewhere in the publication.

[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.

[3] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods.

[4] All industries covered.

[5] Unemployed (new basis – claimants) excluding school leavers. The figures for Great Britain prior to May 1979 and for Northern Ireland prior to November 1982 are estimated.

[6] The seasonally adjusted series have been revised as described in the December 1982 *Employment Gazette.*

[7] Vacancies notified to job centres.

[8] The seasonal adjustment factors currently used are based on data up to December 1980.

[9] Purchased by manufacturing industry.

[10] See footnote [2] on page 50.

[11] The recorded unemployment figures for July to October 1981 are overstated by about 20,000 (net) as a result of industrial action at benefit offices. The seasonally adjusted total for the UK has been reduced to allow for this. No adjustment has been made to other unemployment figures.

[12] Up to and including 18 November 1981, changes have been calculated on the basis of the old banking sector; thereafter, changes have been calculated on the basis of the new monetary sector. The equivalent figures calculated on the old basis are: *N:* 76,230; *N: +4·8; D: +7·0 J: +9·2; F: +11·6; M: +8·0; N: +15·6; D: +18·3; J: +21·6.*

[13] Provisional.

Tables and charts

Gross domestic product at market prices and at factor cost, total home costs and national disposable income revalued at 1975 market prices[1]

Seasonally adjusted

	Gross domestic product			Implied market price GDP deflator	Gross domestic product						Implied index of total home costs	National disposable income at 1975 market prices
	At market prices[2]				At factor cost							
	At current prices		At 1975 prices		At current prices		At 1975 prices					
	£ billion	1975 =100	1975 =100		£ billion[3]		1975 =100				1975 =100	1975 =100
	Based on:				Based on:		Based on:				Based on:	
	expenditure data	average estimate	average estimate	average estimate	expenditure data	income data	expenditure data§	income data[4]§	output data§	average estimate§	expenditure data	average estimate
1971	57·3	55·0	93·0	59·1	49·5	49·1	92·9	92·5	94·9	93·5	56·5	97·3
1972	63·5	61·6	96·1	64·1	55·4	56·1	94·2	95·8	97·9	96·0	62·3	100·7
1973	73·0	70·6	103·0	68·5	64·4	65·4	101·4	103·5	103·6	102·8	67·3	105·9
1974	83·1	79·6	101·0	78·8	74·6	74·4	100·7	100·8	102·0	101·1	78·6	100·2
1975	104·8	100·0	100·0	100·0	94·3	94·0	100·0	100·0	100·0	100·0	100·0	100·0
1976	124·5	117·7	102·6	114·7	111·6	109·5	103·7	102·2	101·8	102·6	114·1	102·3
1977	143·8	137·4	105·1	130·8	127·1	127·7	105·1	106·1	104·6	105·3	128·1	104·0
1978	165·4	158·3	109·1	145·1	146·1	147·2	108·4	109·7	108·1	108·7	142·8	109·3
1979	193·4	185·6	111·2	166·8	167·9	169·9	109·9	111·7	110·3	110·7	161·9	112·8
1980	226·1	216·6	108·9	198·9	194·5	196·8	107·6	109·3	107·1	108·0	191·7	111·6
1981	248·4	237·5	106·5	223·0	210·8	212·6	105·3	106·6	104·5	105·4	212·3	111·4
1977 *1*	33·9	130·1	104·2	124·8	30·3	30·5	104·2	105·1	104·5	104·6	123·4	103·0
2	35·3	135·4	104·7	129·3	31·2	31·6	104·7	106·7	104·0	105·1	126·3	
3	36·5	139·8	105·1	132·9	32·1	32·5	104·7	106·4	104·6	105·2	129·9	105·0
4	38·1	144·3	106·2	135·9	33·5	33·1	107·1	106·2	105·2	106·1	132·6	
1978 *1*	39·6	150·7	107·6	140·1	35·2	35·1	107·7	107·9	106·2	107·3	138·4	108·1
2	40·9	155·9	108·8	143·2	36·1	36·0	108·7	108·8	108·2	108·6	140·9	
3	41·8	160·6	109·6	146·5	36·9	37·3	108·2	110·0	108·9	109·0	144·7	110·6
4	43·1	166·0	110·3	150·4	37·9	38·8	109·1	112·1	108·9	110·0	147·3	
1979 *1*	44·2	169·6	109·1	155·5	38·8	39·2	107·9	109·4	108·3	108·5	152·6	112·3
2	47·4	182·7	113·2	161·3	41·6	42·2	111·1	113·4	112·3	112·2	158·6	
3	49·9	191·1	111·1	172·0	42·9	43·4	110·5	112·0	110·2	110·9	164·7	113·4
4	51·9	199·2	111·6	178·5	44·6	45·1	110·2	111·9	110·6	110·9	171·6	
1980 *1*	53·8	207·5	111·5	186·1	45·8	46·9	109·0	111·9	109·6	110·2	178·2	111·8
2	55·7	214·6	109·0	196·9	48·0	49·2	107·9	111·0	108·0	108·9	188·8	
3	57·6	219·5	107·8	203·6	49·8	49·7	107·0	107·3	106·2	106·8	197·3	111·3
4	59·0	224·8	107·3	209·4	50·9	51·0	106·4	107·1	104·7	106·1	202·9	
1981 *1*	60·6	229·8	107·4	214·0	51·7	51·4	106·6	106·6	104·3	105·8	205·4	111·8
2	61·3	234·5	105·7	221·8	52·2	52·6	104·8	106·2	103·9	105·0	211·2	
3	62·4	240·4	105·8	227·1	52·9	53·9	104·0	106·3	104·8	105·1	215·7	111·2
4	64·1	245·5	107·1	229·2	54·0	54·7	105·5	107·3	105·0	105·9	216·9	
1982 *1*	66·1	251·3	107·5	233·8	55·5	55·5	106·6	107·2	104·6	106·1	220·6	111·5
2	67·1	255·2	106·7	239·1	56·9	56·8	106·7	107·0	104·8	106·2	225·9	
	Percentage change, quarter on corresponding period of previous year											
1978 *1*	+16·7	+15·8	+3·3	+12·3	+16·0	+15·1	+3·4	+2·7	+1·6	+2·6	+12·2	+5·0
2	+15·7	+15·1	+3·9	+10·8	+15·9	+13·7	+3·9	+2·0	+4·1	+3·3	+11·6	
3	+14·6	+14·9	+4·3	+10·2	+15·1	+15·0	+3·4	+3·4	+4·1	+3·6	+11·4	+5·3
4	+13·3	+15·0	+3·9	+10·7	+13·2	+17·2	+1·9	+5·6	+3·6	+3·7	+11·1	
1979 *1*	+11·5	+12·5	+1·4	+11·0	+10·4	+11·8	+0·2	+1·4	+1·9	+1·1	+10·3	+3·9
2	+16·0	+17·2	+4·0	+12·6	+15·0	+17·3	−2·2	+4·2	+3·8	+3·3	+12·6	
3	+19·5	+19·0	+1·4	+17·4	+16·3	+16·0	+2·2	+1·8	+1·2	+1·7	+13·8	+2·5
4	+20·3	+20·0	+1·2	+18·7	+17·8	+16·4	+1·0	−0·2	+1·5	+0·8	+16·5	
1980 *1*	+21·9	+22·3	+2·2	+19·7	+18·0	+19·5	+1·1	+2·3	+1·2	+1·6	+16·8	−0·4
2	+17·5	+17·5	−3·7	+22·1	+15·6	+16·6	−2·9	−2·1	−3·8	−2·9	+19·0	
3	+15·4	+14·9	−3·0	+18·4	+16·0	+14·7	−3·2	−4·2	−3·6	−3·7	+19·8	−1·8
4	+13·7	+12·9	−3·9	+17·3	+14·1	+13·1	−3·5	−4·3	−5·3	−4·3	+18·2	
1981 *1*	+12·5	+10·7	−3·7	+15·0	+12·7	+ 9·7	−2·2	−4·7	−4·9	−4·0	+15·3	0·0
2	+10·1	+ 9·3	−3·0	+12·6	+ 8·7	+ 6·9	−2·8	−4·3	−3·8	−3·6	+11·9	
3	+ 8·4	+ 9·5	−1·9	+11·5	+ 6·3	+ 8·3	−2·8	−0·9	−1·3	−1·6	+ 9·3	−0·1
4	+ 8·6	+ 9·2	−0·2	+ 9·5	+ 6·1	+ 7·1	−0·8	+0·2	+0·3	−0·2	+ 6·9	
1982 *1*	+ 9·1	+ 9·4	+0·1	+ 9·3	+ 7·4	+ 8·0	+0·0	+0·6	+0·4	+0·3	+ 7·4	−0·3
2	+ 9·4	+ 8·8	+0·9	+ 7·8	+ 8·9	+ 7·9	+1·8	+0·8	+0·9	+1·1	+ 7·0	

---

[1] The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

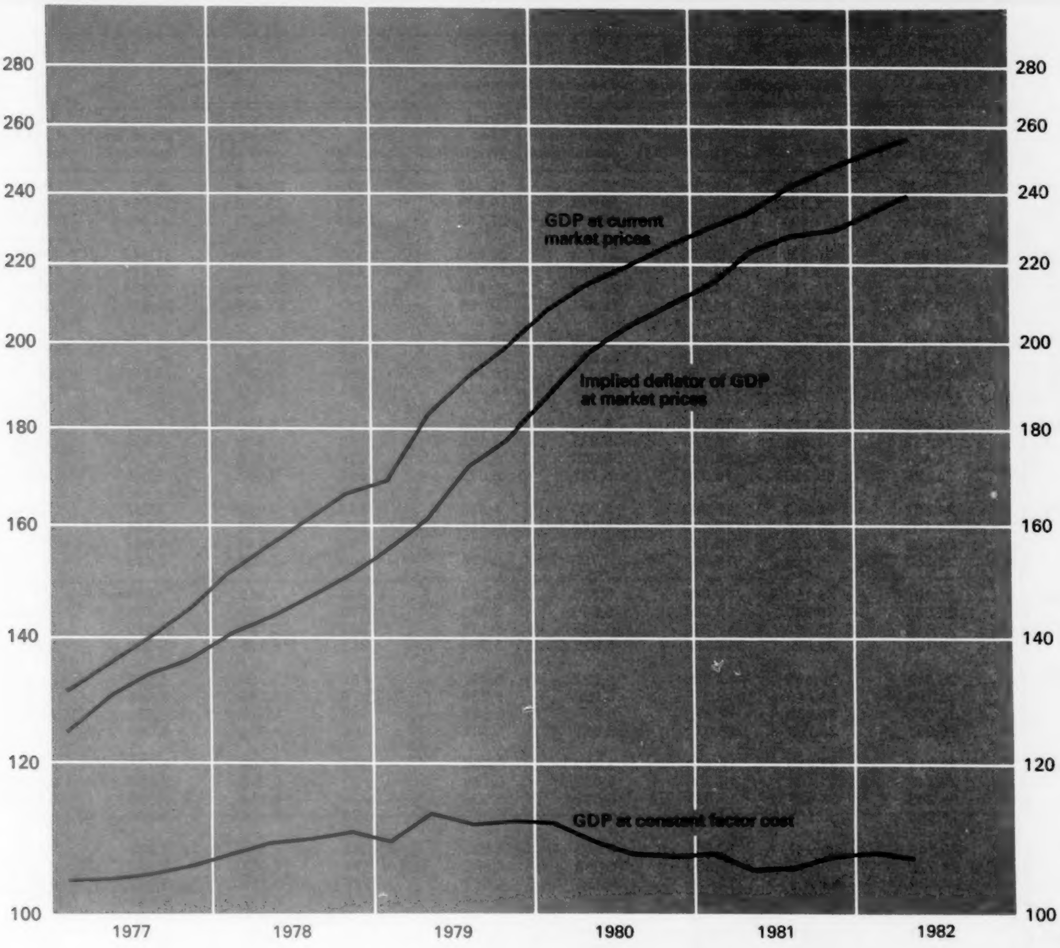
[2] For details of these series see Introduction to November 1981 issue

[3] Figures in £ million are given on page 14.

[4] Income data deflated by the implied index of total home costs.

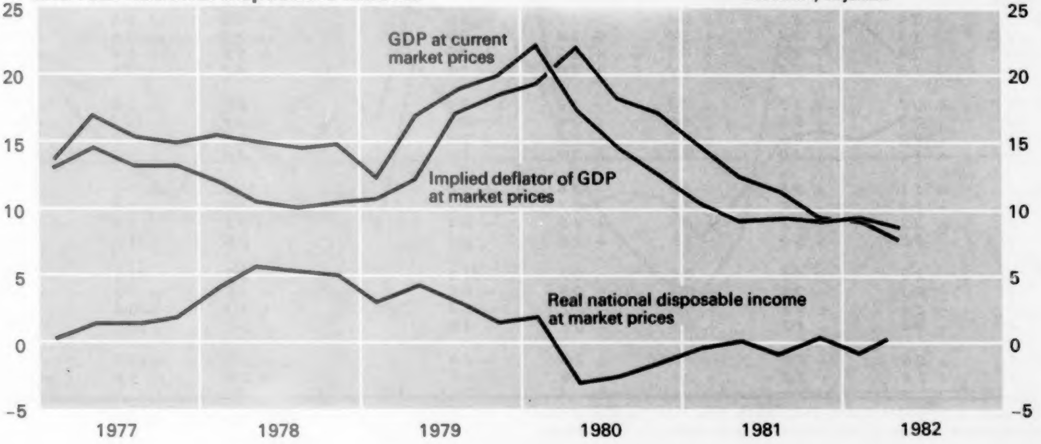
Gross domestic product (average measure)

1975=100, seasonally adjusted, log scale



Gross domestic product (average measure) and real national disposable income

Percentage change on year earlier, seasonally adjusted



8

Expenditure on the gross domestic product

Seasonally adjusted

£ million, 1975 prices

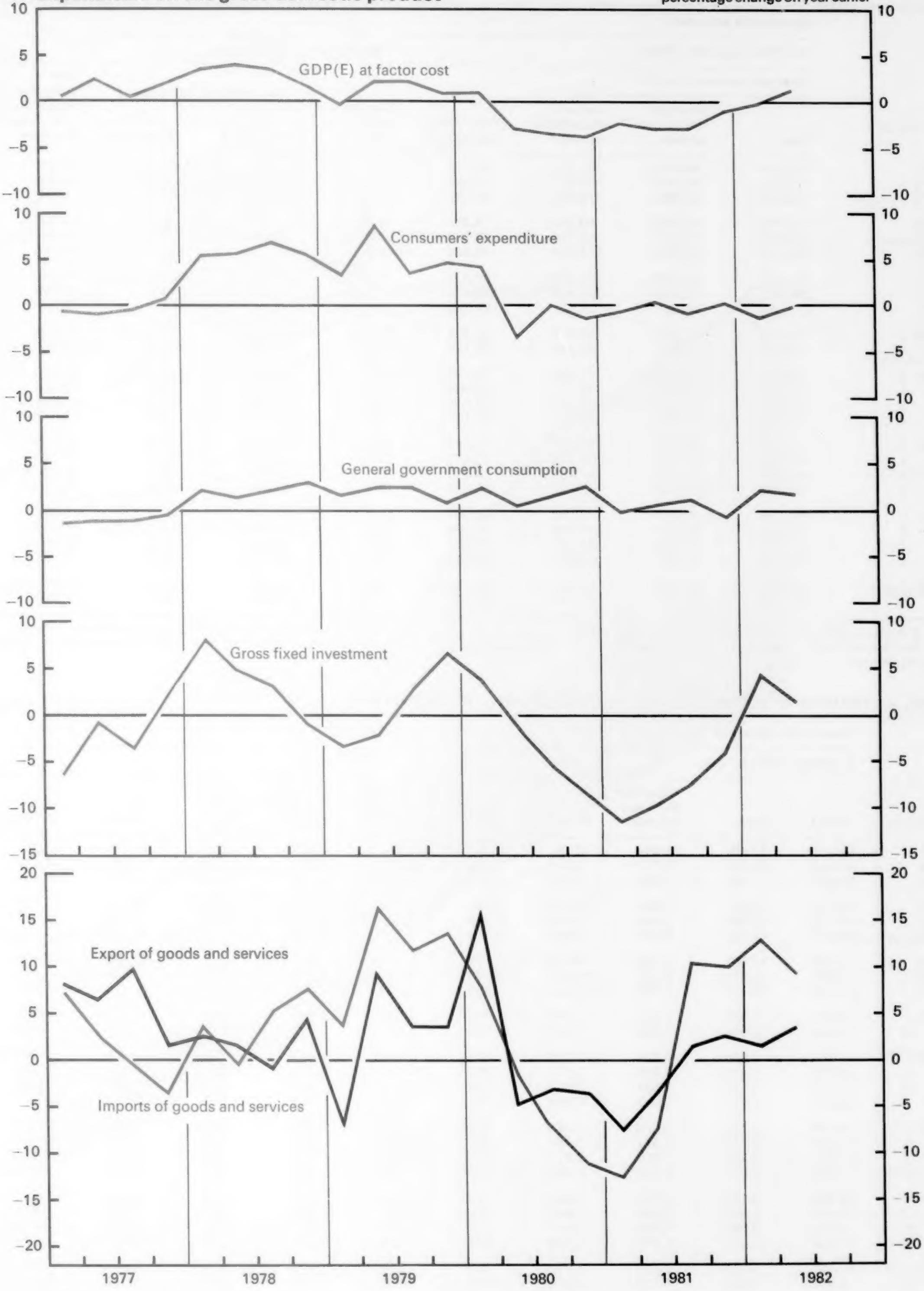
		Gross domestic product at factor cost (expenditure based)[1]	Final expenditure on goods and services at market prices							
			Total[1]	Consumers' expenditure§	General government consumption	Gross fixed investment§	Stock building§	Exports of goods and services§	Imports of goods and services§	Adjustment to factor cost
1971		87,672	122,427	59,724	19,673	19,743	278	23,048	25,187	9,496
1972		88,833	126,923	63,270	20,484	19,823	− 19	23,318	27,694	10,224
1973		95,654	137,494	66,332	21,453	21,195	2,483	26,031	30,941	10,899
1974		94,966	136,670	65,049	21,774	20,562	1,401	27,884	31,243	10,461
1975		94,339	133,771	64,652	22,950	20,408	−1,436	27,197	29,011	10,421
1976		97,793	138,778	64,707	23,178	20,640	658	29,595	30,234	10,751
1977		99,190	140,497	64,517	22,951	20,139	1,382	31,508	30,562	10,745
1978		102,284	145,748	68,227	23,438	20,845	1,146	32,092	31,754	11,710
1979		103,711	151,200	71,599	23,866	21,039	1,782	32,914	35,326	12,163
1980		101,488	147,806	71,550	24,311	20,443	−1,555	33,057	34,143	12,175
1981		99,291	145,480	71,762	24,394	18,774	−1,871	32,421	34,087	12,102
1976	*1*	24,465	34,177	16,105	5,762	5,225	− 53	7,138	7,109	2,603
	2	24,128	34,461	16,163	5,835	5,168	− 80	7,375	7,669	2,664
	3	24,474	34,881	16,199	5,800	5,224	239	7,419	7,710	2,697
	4	24,726	35,259	16,240	5,781	5,023	552	7,663	7,746	2,787
1977	*1*	24,567	34,803	15,980	5,700	4,879	535	7,709	7,602	2,634
	2	24,684	35,146	16,020	5,764	5,116	388	7,858	7,844	2,618
	3	24,689	35,073	16,153	5,731	5,029	19	8,141	7,667	2,717
	4	25,250	35,475	16,364	5,756	5,115	440	7,800	7,449	2,776
1978	*1*	25,401	36,150	16,840	5,826	5,268	304	7,912	7,873	2,876
	2	25,636	36,330	16,884	5,840	5,343	276	7,987	7,796	2,898
	3	25,518	36,592	17,249	5,845	5,178	253	8,067	8,079	2,995
	4	25,729	36,676	17,254	5,927	5,056	313	8,126	8,006	2,941
1979	*1*	25,449	36,569	17,396	5,921	5,091	781	7,380	8,152	2,968
	2	26,199	38,440	18,315	5,980	5,230	175	8,740	9,054	3,187
	3	26,072	38,038	17,816	5,984	5,323	542	8,373	9,031	2,935
	4	25,991	38,153	18,072	5,981	5,395	284	8,421	9,089	3,073
1980	*1*	25,717	37,710	18,120	6,062	5,292	− 273	8,509	8,793	3,200
	2	25,443	37,208	17,729	6,022	5,163	− 22	8,316	8,914	2,851
	3	25,243	36,637	17,831	6,081	5,036	− 427	8,116	8,360	3,034
	4	25,085	36,251	17,870	6,146	4,952	− 833	8,116	8,076	3,090
1981	*1*	25,143	35,991	18,032	6,055	4,690	− 642	7,856	7,688	3,160
	2	24,722	35,919	17,860	6,069	4,667	− 694	8,017	8,261	2,936
	3	24,533	36,719	17,915	6,156	4,663	− 226	8,211	9,243	2,943
	4	24,893	36,851	17,955	6,114	4,754	− 309	8,337	8,895	3,063
1982	*1*	25,149	36,951	17,857	6,207	4,898	1	7,988	8,695	3,107
	2	25,171	37,121	17,885	6,190	4,747	9	8,290	9,048	2,902
		Percentage change, quarter on corresponding period of previous year								
1978	*1*	*+ 3·4*	*+ 3·9*	*+ 5·4*	*+ 2·2*	*+ 8·0*	..	*+ 2·6*	*+ 3·6*	*+ 9·2*
	2	*+ 3·9*	*+ 3·4*	*+ 5·4*	*+ 1·3*	*+ 4·4*	..	*+ 1·6*	*− 0·6*	*+10·7*
	3	*+ 3·4*	*+ 4·3*	*+ 6·8*	*+ 2·0*	*+ 3·0*	..	*− 0·9*	*+ 5·4*	*+10·2*
	4	*+ 1·9*	*+ 3·4*	*+ 5·4*	*+ 3·0*	*− 1·2*	..	*+ 4·2*	*+ 7·5*	*+ 5·9*
1979	*1*	*+ 0·2*	*+ 1·2*	*+ 3·3*	*+ 1·6*	*− 3·4*	..	*− 6·7*	*+ 3·5*	*+ 3·2*
	2	*+ 2·2*	*+ 5·8*	*+ 8·5*	*+ 2·4*	*− 2·1*	..	*+ 9·4*	*+16·1*	*+10·0*
	3	*+ 2·2*	*+ 4·0*	*+ 3·3*	*+ 2·4*	*+ 2·8*	..	*+ 3·8*	*+11·8*	*− 2·0*
	4	*+ 1·0*	*+ 4·0*	*+ 4·7*	*+ 0·9*	*+ 6·7*	..	*+ 3·6*	*+13·5*	*+ 4·5*
1980	*1*	*+ 1·1*	*+ 3·1*	*+ 4·2*	*+ 2·4*	*+ 3·9*	..	*+15·3*	*+ 7·9*	*+ 7·8*
	2	*− 2·9*	*− 3·2*	*− 3·2*	*+ 0·7*	*− 1·3*	..	*− 4·9*	*− 1·5*	*−10·5*
	3	*− 3·2*	*− 3·7*	*+ 0·1*	*+ 1·6*	*− 5·4*	..	*− 3·1*	*− 7·4*	*+ 3·4*
	4	*− 3·5*	*− 5·0*	*− 1·1*	*+ 2·8*	*− 8·2*	..	*− 3·6*	*−11·1*	*+ 0·6*
1981	*1*	*− 2·2*	*− 4·6*	*− 0·5*	*− 0·1*	*−11·4*	..	*− 7·7*	*−12·6*	*− 1·3*
	2	*− 2·8*	*− 3·5*	*+ 0·7*	*+ 0·8*	*− 9·6*	..	*− 3·6*	*− 7·3*	*+ 3·0*
	3	*− 2·8*	*+ 0·2*	*+ 0·5*	*+ 1·2*	*− 7·4*	..	*+ 1·2*	*+10·6*	*− 3·0*
	4	*− 0·8*	*+ 1·7*	*+ 0·5*	*− 0·5*	*− 4·0*	..	*+ 2·7*	*+10·1*	*− 0·9*
1982	*1*	*+ 0·0*	*+ 2·7*	*− 1·0*	*+ 2·5*	*+ 4·4*	..	*+ 1·7*	*+13·1*	*− 1·7*
	2	*+ 1·8*	*+ 3·3*	*+ 0·1*	*+ 2·0*	*+ 1·7*	..	*+ 3·4*	*+ 9·5*	*− 1·2*

---

[1] **For years up to and including 1972, totals differ from the sum of the components because of the method used to rebase on 1975 prices.**

Expenditure on the gross domestic product

1975 prices, seasonally adjusted
percentage change on year earlier



Personal disposable income and consumption

Seasonally adjusted

	£ million, current prices				**Percentage**	**1975 prices**		
	Personal income before tax		Total personal disposable income[2]	Consumers' expenditure	Personal saving ratio[3]	Real personal disposable income [4]		Real consumers' expenditure §
	Total[1]	*of which:* Wages and salaries				£ million §	1975=100	£ million
1973	63,520	38,430	51,779	45,759	11·6	75,059	101·4	66,332
1974	75,423	45,478	59,907	52,626	12·2	74,049	100·1	65,049
1975	96,005	58,893	74,005	64,652	12·6	74,005	100·0	64,652
1976	110,769	66,040	84,949	74,850	11·9	73,437	99·2	64,707
1977	123,957	73,101	96,300	85,948	10·8	72,288	97·7	64,517
1978	143,103	83,674	113,404	98,867	12·8	78,259	105·7	68,227
1979	170,261	98,196	136,802	117,071	14·4	83,666	113·1	71,599
1980	200,851	116,004	160,820	135,738	15·6	84,771	114·5	71,550
1981	219,792	124,021	174,491	151,042	13·4	82,903	112·0	71,762
1978 *3*	36,339	21,251	29,172	25,216	13·6	19,964	107·9	17,249
4	37,645	21,936	30,230	25,725	14·9	20,284	109·6	17,254
1979 *1*	39,503	22,926	31,625	26,715	15·5	20,602	111·4	17,396
2	41,368	23,910	32,717	28,930	11·6	20,722	112·0	18,315
3	43,300	25,069	34,786	29,946	13·9	20,705	111·9	17,816
4	46,090	26,291	37,674	31,480	16·4	21,637	116·9	18,072
1980 *1*	47,414	27,415	38,182	32,813	14·1	21,092	114·0	18,120
2	49,303	28,709	39,275	33,372	15·0	20,873	112·8	17,729
3	51,431	29,775	41,191	34,318	16·7	21,410	115·7	17,831
4	52,703	30,105	42,172	35,235	16·5	21,396	115·6	17,870
1981 *1*	53,229	30,267	42,736	36,343	15·0	21,197	114·6	18,032
2	54,352	30,647	43,008	37,268	13·3	20,604	111·4	17,860
3	55,703	31,309	44,103	38,243	13·3	20,654	111·6	17,915
4	56,508	31,798	44,644	39,188	12·2	20,448	110·5	17,955
1982 *1*	58,057	32,248	45,743	39,584	13·5	20,635	111·5	17,857
2	58,294	32,596	46,036	40,696	11·6	20,232	109·4	17,885

[1] Before providing for depreciation and stock appreciation.

[2] Before providing for depreciation, stock appreciation and additions to tax reserves.

[3] Personal saving as a percentage of personal disposable income.

[4] Personal income revalued by the implied consumers' expenditure deflator (1975 =100).

Real consumers' expenditure — component categories

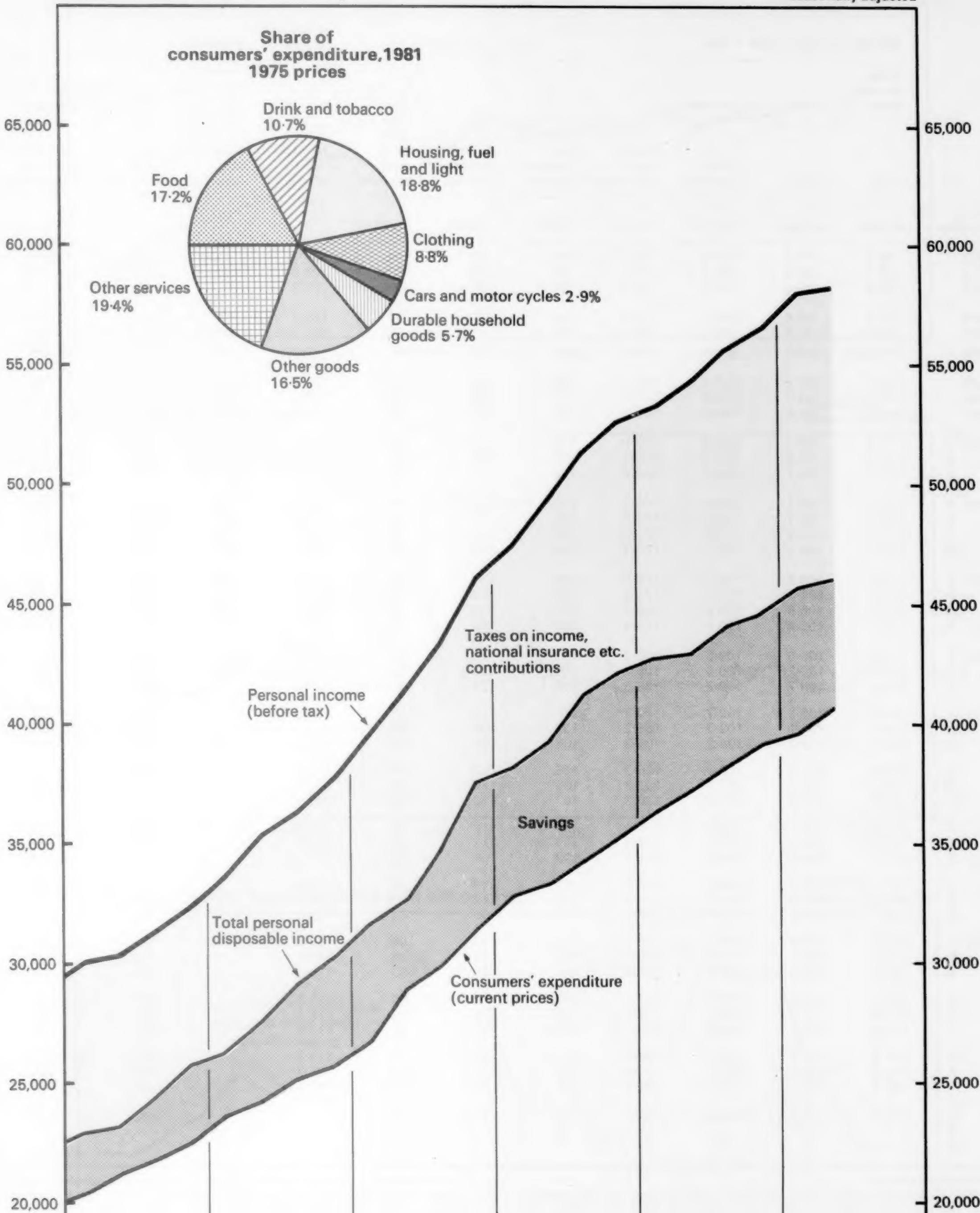
Seasonally adjusted

£ million, 1975 prices

	Total §	Food	Alcoholic drink and tobacco	Housing	Fuel and light	Clothing including footwear	Durable household goods	Cars and motor cycles	Other goods	Other services
1973	66,332	12,181	7,694	9,181	2,930	5,183	3,396	2,668	10,760	12,339
1974	65,049	12,027	7,777	9,081	2,984	5,109	3,269	2,033	10,840	11,929
1975	64,652	11,961	7,604	9,221	2,914	5,166	3,232	2,135	10,635	11,784
1976	64,707	12,047	7,591	9,238	2,887	5,194	3,419	2,222	10,734	11,375
1977	64,517	11,897	7,546	9,406	2,959	5,232	3,215	2,009	10,880	11,373
1978	68,227	12,233	8,053	9,596	3,013	5,716	3,531	2,474	11,414	12,197
1979	71,599	12,461	8,293	10,079	3,179	6,100	3,999	2,751	11,585	13,152
1980	71,550	12,474	8,034	10,293	3,073	6,142	3,904	2,200	11,633	13,797
1981	71,762	12,319	7,689	10,434	3,080	6,308	4,071	2,111	11,817	13,933
1978 *3*	17,249	3,089	2,042	2,395	772	1,481	898	658	2,908	3,006
4	17,254	3,068	2,048	2,432	746	1,477	927	573	2,878	3,105
1979 *1*	17,396	3,046	2,004	2,489	828	1,438	943	604	2,859	3,185
2	18,315	3,113	2,126	2,511	805	1,590	1,150	792	2,959	3,269
3	17,816	3,159	2,081	2,521	782	1,516	918	658	2,860	3,321
4	18,072	3,143	2,082	2,558	764	1,556	988	697	2,907	3,377
1980 *1*	18,120	3,176	2,083	2,555	779	1,549	985	644	2,929	3,420
2	17,729	3,144	1,972	2,555	740	1,523	959	533	2,882	3,421
3	17,831	3,093	1,980	2,577	770	1,528	978	534	2,901	3,470
4	17,870	3,061	1,999	2,606	784	1,542	982	489	2,921	3,486
1981 *1*	18,032	3,103	2,013	2,593	738	1,579	1,024	533	2,954	3,495
2	17,860	3,065	1,858	2,605	779	1,569	1,008	542	2,936	3,498
3	17,915	3,064	1,909	2,617	759	1,552	1,009	525	2,964	3,516
4	17,955	3,087	1,909	2,619	804	1,608	1,030	511	2,963	3,424
1982 *1*	17,857	3,013	1,859	2,627	743	1,606	1,030	474	3,014	3,491
2	17,885	3,095	1,779	2,638	751	1,606	1,045	473	3,027	3,471

Personal income and consumption

£ million,
seasonally adjusted



Retail sales, new registrations of cars and consumer credit (Great Britain)

	Seasonally adjusted										
	Weekly average 1978 = 100							**Thousands[1]**	**£ million**		
	Value of retail sales[2]	Volume of retail sales[2]							Consumer credit	Hire purchase and other credit business[4]	
	Total[3]	Total[3]	Food retailers[3]	Mixed retail businesses[3]	Clothing and footwear retailers	Household goods retailers	Other non-food retailers	New registrations of cars§	Change in total outstanding	New credit extended	Change in amounts outstanding[5]
Sale in 1978 £ million	43,866	43,866	14,714	11,603	4,389	6,489	6,671				
1973	48·4	99·6	109·9	87·5	101	92	104	137·1	. .	2,846	+ 444
1974	56·1	98·5	109·4	87·7	97	90	103	102·8	. .	2,508	− 164
1975	66·6	96·6	104·8	90·5	96	88	99	97·2	. .	2,981	− 13
1976	76·5	96·4	101·7	93·4	95	90	97	104·7	377	3,474	+ 348
1977	87·3	94·8	99·7	93·0	89	91	95	107·1	808	4,769	+ 890
1978	100·0	100·0	100·0	100·0	100	100	100	130·1	1,609	6,262	+1,484
1979	116·5	104·2	104·3	103·5	106	108	101	139·7	2,130	7,529	+1,755
1980	131·6	104·3	108·0	102·9	105	106	97	124·1	1,993	8,039	+1,137
1981	143·2	105·5	108·4	105·6	108	109	94	122·5	2,587	8,067	+ 643
1979 *2*	117·3	108·3	104·9	107·8	110	120	105	174·8	772	1,890	+ 468
3	117·0	102·5	103·3	102·1	104	104	99	112·4	514	1,935	+ 448
4	124·7	105·1	106·1	104·6	108	107	100	141·2	551	2,057	+ 552
1980 *1*	127·2	104·7	107·3	103·5	105	106	99	140·4	248	2,112	+ 489
2	130·8	104·1	108·5	101·6	104	105	98	118·8	694	2,029	+ 310
3	133·4	104·3	107·6	103·2	105	106	96	121·3	609	1,989	+ 215
4	135·3	104·2	108·7	103·3	105	106	94	115·8	442	1,909	+ 123
1981 *1*	140·3	106·6	109·5	106·5	109	110	96	121·2	439	1,945	+ 99
2	141·2	104·7	107·6	104·8	106	108	94	118·6	755	1,984	+ 83
3	144·3	105·5	108·5	104·7	107	110	95	121·4	680	2,057	+ 169
4	147·0	105·4	108·1	106·4	110	108	92	128·7	713	2,081	+ 292
1982 *1*	151·4	106·6	108·5	106·3	112	113	94	118·1	372	2,157	+ 331
2	152·6	106·2	109·0	105·7	110	113	92	117·5	449	2,188	+ 261
3	156·5	108·7	109·2	108·5	112	122	93	131·0		2,399	+ 551
1981 *J*	141·0	108·1	109·7	109·3	111	112	97	120·2	. .	628	+ 26
F	139·7	106·1	109·7	105·2	109	108	96	118·1	. .	653	+ 26
M	140·2	105·7	109·2	105·3	108	109	94	125·2	. .	664	+ 47
A	139·6	104·5	108·4	105·3	106	103	95	126·5	. .	655	+ 2
M	140·7	104·1	107·3	102·3	105	110	93	119·7	. .	640	+ 18
J	142·9	105·3	107·2	106·3	107	110	94	109·7	. .	689	+ 63
J	142·3	104·7	107·2	105·4	104	110	94	114·5	. .	670	+ 54
A	144·6	105·7	108·3	104·3	109	110	97	129·3	. .	675	+ 30
S	145·7	105·9	109·8	104·4	108	109	95	120·5	. .	712	+ 85
O	147·1	106·2	108·7	106·5	111	110	94	129·6	. .	690	+ 102
N	147·4	105·6	108·0	105·4	109	111	93	132·5	. .	684	+ 70
D	146·7	104·6	107·8	107·1	111	105	89	124·0	. .	707	+ 120
1982 *J*	151·0	107·0	109·1	106·6	112	113	94	99·8	. .	665	+ 62
F	150·7	106·1	107·5	104·6	112	113	95	122·7	. .	698	+ 124
M	152·2	106·6	108·9	107·4	111	111	93	131·9	. .	794	+ 145
A	151·0	105·9	108·9	106·9	110	108	93	124·5	. .	728	+ 93
M	152·8	105·9	108·7	103·5	109	115	93	115·1	. .	710	+ 83
J	153·8	106·8	109·2	106·6	112	115	90	112·8	. .	750	+ 85
J	154·4	107·6	108·9	106·9	111	120	91	113·9	. .	698	+ 98
A	156·9	109·2	108·4	110·0	113	124	93	161·7	. .	856	+ 223
S	157·9	109·1	110·0	108·6	113	122	93	117·4	. .	845	+ 230
O	158·5	109·2	109·6	109·2	115	121	93			800	+ 205
N											
D											

---

[1] Monthly averages.

[2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1980 is exceptionally a five-week period. The quarterly indices are weighted averages of monthly indices for the months within the quarter. The weights are the number of weeks in each monthly period.

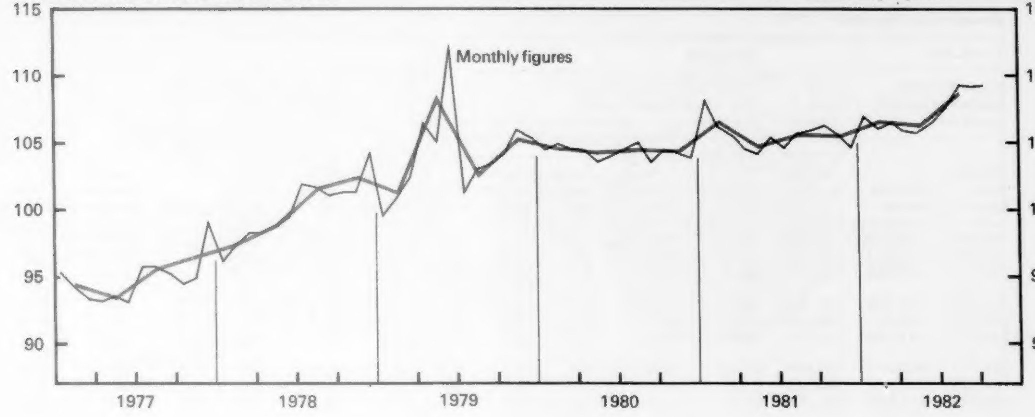
[3] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

[4] Credit extended by and repaid to finance houses, other specialist consumer credit grantors and retailers, i.e. clothing retailers, household goods retailers, mixed retail businesses (other than co-operative societies) and general mail order houses. Most consumer credit extended by UK banks and credit extended by insurance companies is outside the scope of these series, but some lending to companies is included, (see pages 108–109 of *Economic Trends* No. 311, September 1979). There is a break in the series between 1977 and 1978 due to a change in coverage. For details see *Trade and Industry*, 12 April 1979.

[5] Including further interest payments due over the whole period of the loans.

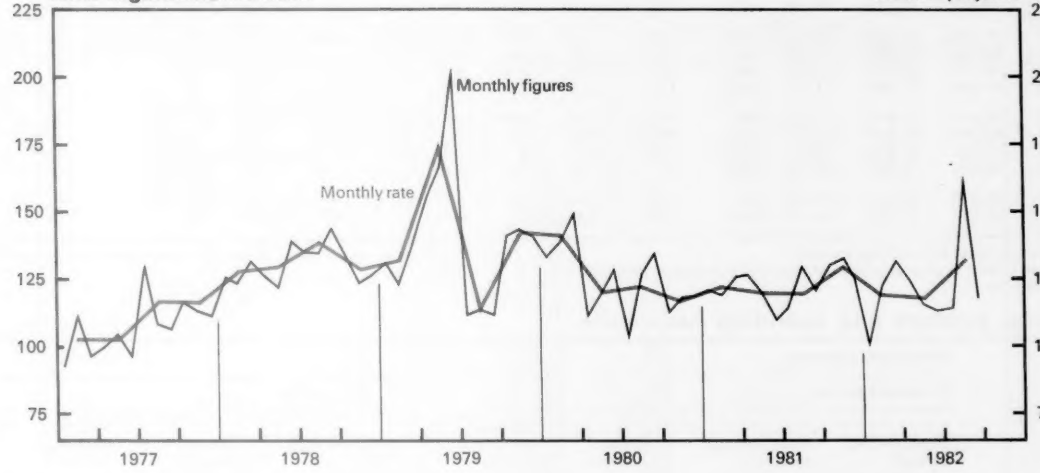
Volume of total retail sales

Weekly average, 1978 = 100, seasonally adjusted



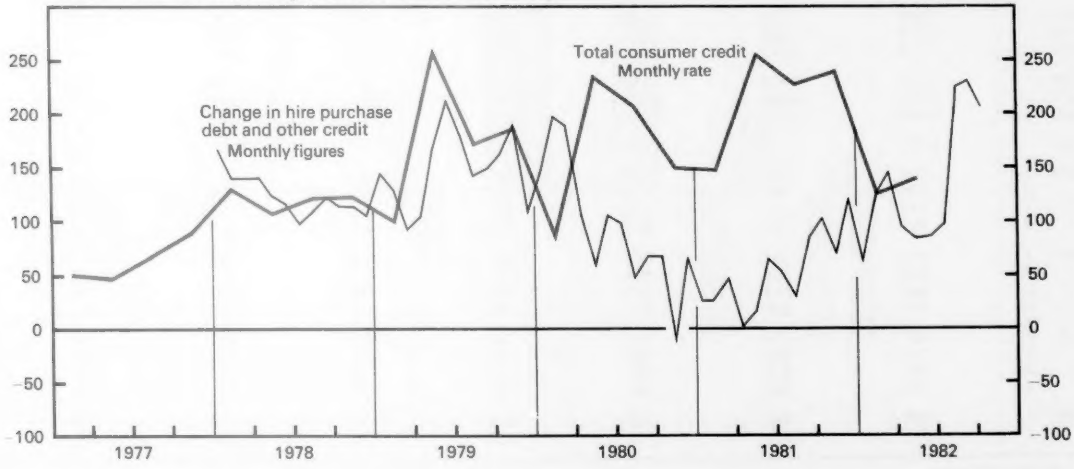
New registration of cars

Thousands, seasonally adjusted



Consumer credit, hire purchase and other credit

£ million, seasonally adjusted



Gross domestic product and shares of income and expenditure

		Seasonally adjusted													
		£ million			Per cent										
		Gross domestic product at current fastor cost		Total final expenditure (current market prices)	Percentage share of total final expenditure						Percentage share of gross domestic product (income based)				
					Consumer's expenditure	General government consumption	Gross fixed investment			Exports	Income from employment	Gross trading profits			
		Expenditure based	Income based				General government	Public corporations	Private sector			Companies[1]	Other[1,2]	Income from self employment[1]	Other income[3]
1973		64,362	65,438	92,098	49·7	14·5	4·0	2·3	9·2	18·7	66·9	12·5	3·1	10·2	7·3
1974		74,641	74,411	110,474	47·6	15·0	4·0	2·6	8·7	20·9	70·2	9·2	3·1	9·3	8·2
1975		94,339	93,954	133,771	48·3	17·2	3·7	2·9	8·6	20·3	72·6	8·3	3·0	8·5	7·6
1976		111,566	109,509	161,462	46·4	16·6	3·4	2·9	8·3	21·9	70·8	9·0	3·8	8·6	7·8
1977		127,050	127,680	186,382	46·1	15·7	2·6	2·6	8·7	23·4	67·2	13·0	3·8	8·4	7·6
1978		146,079	147,184	210,921	46·9	15·6	2·2	2·3	9·6	22·6	66·7	13·5	3·5	8·8	7·5
1979		167,937	169,917	247,984	47·2	15·5	2·1	2·3	9·5	22·2	67·8	12·6	2·9	9·1	7·6
1980		194,538	196,848	284,025	47·8	17·1	2·0	2·4	9·5	22·2	69·1	11·5	3·0	8·5	7·9
1981		210,788	212,568	309,264	48·8	17·8	1·1	2·2	9·0	21·9	69·2	10·7	3·3	8·4	8·4
1979	*1*	38,827	39,208	56,350	47·4	15·7	2·1	2·4	9·5	20·8	68·6	11·4	3·1	16·9	
	2	41,555	42,238	61,221	47·3	15·2	2·0	2·2	9·4	23·3	66·5	13·6	3·2	16·7	
	3	42,943	43,343	63,768	47·0	15·5	2·2	2·3	9·4	22·2	67·8	12·7	2·8	16·7	
	4	44,612	45,128	66,645	47·2	15·4	2·0	2·3	9·8	22·5	68·2	12·6	2·7	16·5	
1980	*1*	45,825	46,855	69,038	47·5	16·1	1·9	2·3	9·7	23·0	68·5	12·3	2·9	16·3	
	2	48,034	49,239	70,838	47·1	16·5	1·9	2·4	9·5	22·4	68·3	12·8	2·8	16·1	
	3	49,974	49,718	71,570	48·0	17·5	2·0	2·4	9·5	21·8	70·2	10·2	3·0	16·6	
	4	50,885	51,036	72,579	48·5	18·1	2·0	2·4	9·4	21·8	69·4	10·8	3·2	16·6	
1981	*1*	51,653	51,414	73,649	49·3	17·8	1·8	2·4	9·0	21·5	69·6	10·6	3·1	16·7	
	2	52,207	52,646	75,594	49·3	18·0	1·6	2·3	8·9	21·7	69·2	11·0	3·3	16·5	
	3	52,923	53,855	79,231	48·3	17·8	1·3	2·1	9·1	22·1	69·1	10·6	3·5	16·8	
	4	54,005	54,653	80,790	48·5	17·7	1·3	2·2	9·0	22·5	69·1	10·8	3·3	16·8	
1982	*1*	55,478	55,524	82,352	48·1	17 8	1·4	2·2	9·2	21·5	68·9	10·5	3·6	17·0	
	2	56,856	56,796	84,180	48·3	17·5	1·0	2·2	8·9	21·7	68·1	11·2	4·0	16·7	

[1] After providing for stock appreciation.

[2] Gross trading surplus of public corporations and general government enterprises.

[3] Rent income, and imputed charge for consumption of non-trading capital.

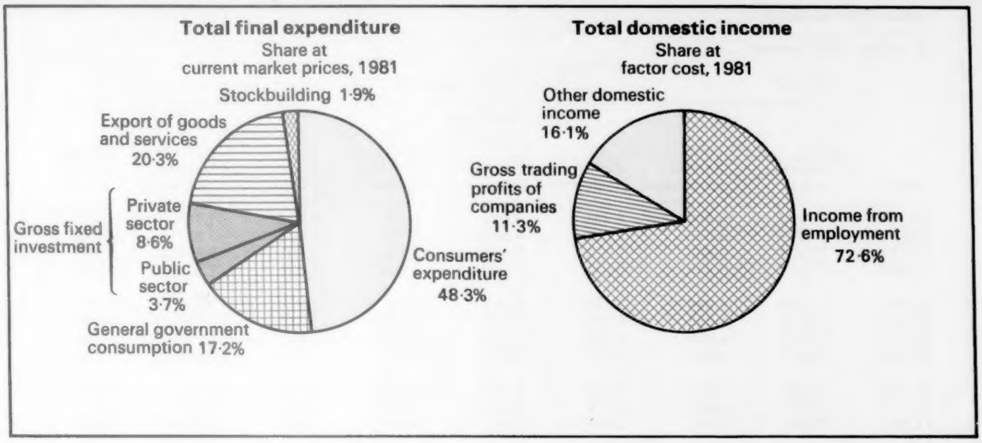
Income, product and spending *per capita*

		Seasonally adjusted						
		£, current prices				£, 1975 prices		
		Gross national product[1]	Gross domestic product[1], [2]	Consumers' expenditure	Personal disposable income	Gross domestic product[1], [2]	Consumers' expenditure	Personal disposable income
1972		1,001	991	719	798	1,590	1,132	1,257
1973		1,172	1,149	817	925	1,708	1,185	1,340
1974		1,358	1,333	940	1,070	1,695	1,161	1,322
1975		1,699	1,685	1,155	1,322	1,685	1,155	1,322
1976		2,018	1,994	1,338	1,518	1,748	1,156	1,312
1977		2,274	2,272	1,537	1,722	1,774	1,154	1,293
1978		2,624	2,613	1,769	2,029	1,830	1,220	1,400
1979		3,018	3,002	2,093	2,445	1,854	1,280	1,496
1980		3,468	3,473	2,423	2,871	1,812	1,277	1,514
1981		3,781	3,763	2,696	3,115	1,772	1,281	1,480
1979	*1*	703	696	479	567	456	312	369
	2	745	743	518	585	469	328	371
	3	773	767	535	621	466	318	370
	4	797	796	561	672	464	322	386
1980	*1*	816	818	586	682	459	324	377
	2	855	858	596	701	454	317	373
	3	888	889	613	735	451	318	382
	4	910	908	629	753	448	319	382
1981	*1*	927	924	650	764	450	322	379
	2	939	932	666	768	442	319	368
	3	947	944	682	787	438	320	368
	4	967	962	698	796	444	320	364
1982	*1*	988	992	707	818	449	319	369
	2	1,021	1,015	726	822	449	319	361

[1] At factor cost.

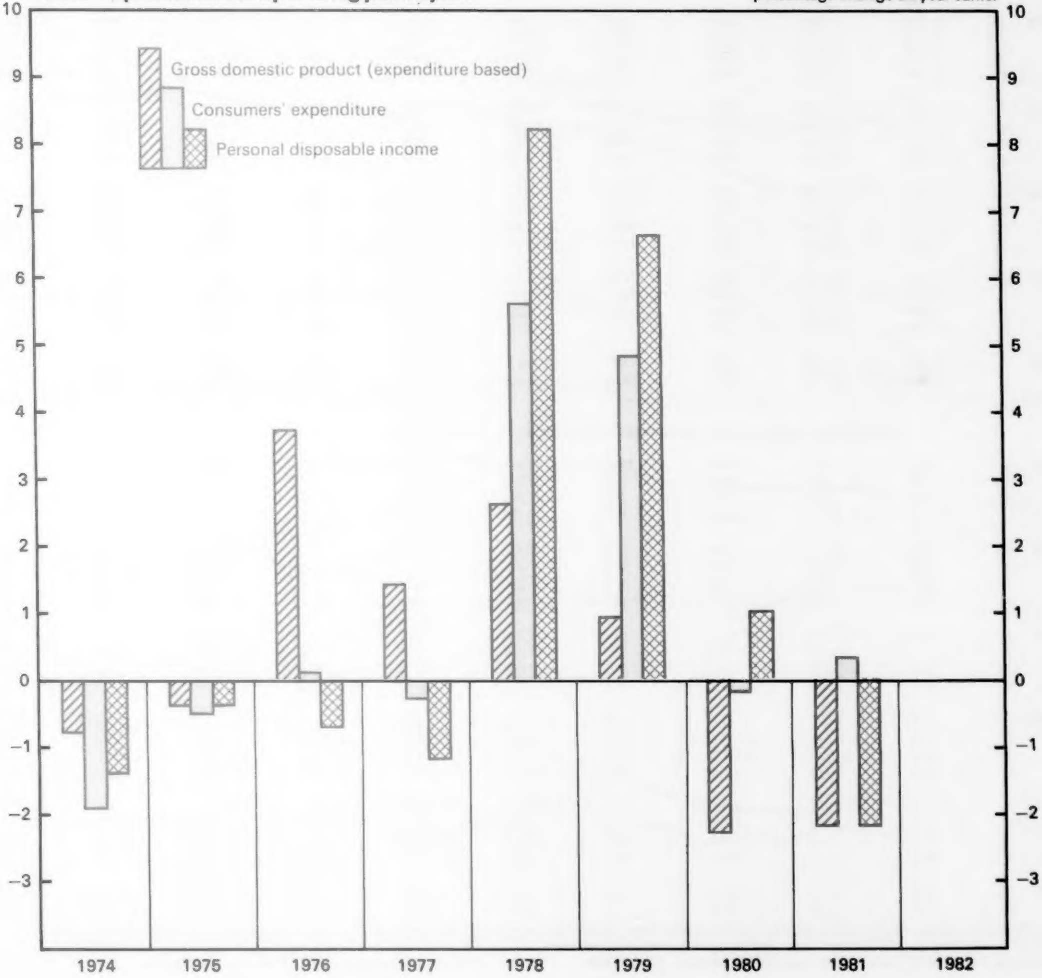
[2] Based on expenditure data.

Shares of income and expenditure



Income, product and spending *per capita*

1975 prices, percentage change on year earlier



16

Gross domestic fixed capital formation by sector and by type of asset

		Seasonally adjusted									
		£ million, 1975 prices[1]									
			Sector[2]			Type of asset					
						Dwellings					
							of which:				
		Total§	Private sector	General government	Public corporations	Total	Private	Public	Other new building and works[3]	Vehicles, ships and aircraft	Plant and machinery
1971		19,743	11,099	5,297	3,334	4,091	2,440	1,733	7,781	1,882	6,264
1972		19,823	11,776	5,076	2,932	4,309	2,745	1,609	7,607	2,148	6,055
1973		21,195	12,267	5,793	3,135	4,152	2,449	1,703	7,852	2,416	6,775
1974		20,562	11,578	5,418	3,566	3,826	2,004	1,822	7,469	2,304	6,963
1975		20,408	11,504	4,984	3,920	4,149	2,182	1,967	7,560	2,041	6,658
1976		20,640	11,759	4,836	4,045	4,264	2,180	2,084	7,546	2,018	6,812
1977		20,139	12,419	4,018	3,702	3,913	2,039	1,874	7,075	2,182	6,969
1978		20,845	13,815	3,557	3,473	4,061	2,327	1,734	6,996	2,286	7,502
1979		21,039	14,186	3,414	3,439	3,615	2,017	1,598	6,750	2,421	8,253
1980		20,443	13,997	2,982	3,464	3,106	1,692	1,414	6,378	2,301	8,658
1981		18,774	13,460	2,147	3,167	2,346	1,430	916	6,184	1,883	8,361
1977	*1*	4,879	2,863	1,099	917	939	443	496	1,745	533	1,662
	2	5,116	3,175	1,001	940	983	511	472	1,859	553	1,721
	3	5,029	3,143	964	922	991	542	449	1,708	569	1,761
	4	5,115	3,238	954	923	1,000	543	457	1,763	527	1,825
1978	*1*	5,268	3,466	946	856	1,091	631	460	1,728	607	1,842
	2	5,343	3,564	894	885	1,024	599	425	1,835	593	1,891
	3	5,178	3,423	884	871	1,011	557	454	1,707	578	1,882
	4	5,056	3,362	833	861	935	540	395	1,726	508	1,887
1979	*1*	5,091	3,393	836	862	851	463	388	1,674	599	1,967
	2	5,230	3,539	839	852	893	500	393	1,646	656	2,035
	3	5,323	3,546	901	876	892	480	412	1,732	626	2,073
	4	5,395	3,708	838	849	979	574	405	1,698	540	2,178
1980	*1*	5,292	3,625	789	878	890	482	408	1,631	624	2,147
	2	5,163	3,486	767	910	799	436	363	1,579	614	2,171
	3	5,036	3,438	737	861	748	411	337	1,560	525	2,203
	4	4,952	3,448	689	815	669	363	306	1,608	538	2,137
1981	*1*	4,690	3,235	637	818	624	374	250	1,521	447	2,098
	2	4,667	3,280	560	827	583	341	242	1,491	487	2,106
	3	4,663	3,439	474	750	582	365	217	1,557	447	2,077
	4	4,754	3,506	476	772	557	350	207	1,615	502	2,080
1982	*1*	4,898	3,606	495	797	647	389	258	1,661	504	2,086
	2	4,747	3,506	429	812	618	387	231	1,625	453	2,051
		Percentage change, quarter on corresponding quarter of previous year									
1977	*.1*	*−6·6*	*0·9*	*−14·6*	*−16·8*	*−14·6*	*−22·4*	*−6·2*	*−10·2*	*7·3*	*−1·3*
	2	*−1·0*	*8·9*	*−19·1*	*−7·3*	*−6·8*	*−3·8*	*−9·8*	*−3·9*	*10·2*	*2·6*
	3	*−3·7*	*1·3*	*−17·8*	*−2·6*	*−7·7*	*−4·1*	*−11·8*	*−12·7*	*12·2*	*4·4*
	4	*1·8*	*11·5*	*−16·2*	*−6·0*	*−3·5*	*5·9*	*−12·6*	*3·0*	*2·9*	*3·5*
1978	*1*	*8·0*	*21·1*	*−13·9*	*−6·7*	*16·2*	*42·4*	*−7·2*	*−1·0*	*13·9*	*10·8*
	2	*4·4*	*12·3*	*−10·7*	*−5·9*	*4·2*	*17·2*	*−10·0*	*−1·3*	*7·2*	*9·9*
	3	*3·0*	*8·9*	*−8·3*	*−5·5*	*2·0*	*2·8*	*1·1*	*0·0*	*1·6*	*6·9*
	4	*−1·2*	*3·8*	*−12·7*	*−6·7*	*−6·5*	*−0·5*	*−13·6*	*−2·1*	*−3·6*	*3·4*
1979	*1*	*−3·4*	*−2·1*	*−11·6*	*0·7*	*−22·0*	*−26·6*	*−15·7*	*−3·1*	*−1·3*	*6·8*
	2	*−2·1*	*−0·7*	*−6·2*	*−3·7*	*−12·8*	*−16·6*	*−7·5*	*−10·3*	*10·6*	*7·6*
	3	*2·8*	*3·6*	*1·9*	*0·6*	*−11·8*	*−13·8*	*−9·2*	*1·4*	*8·3*	*10·2*
	4	*6·7*	*10·3*	*0·6*	*−1·4*	*4·7*	*6·3*	*2·5*	*−1·6*	*6·3*	*15·4*
1980	*1*	*4·0*	*6·8*	*−5·6*	*1·8*	*4·6*	*4·1*	*5·1*	*−2·6*	*4·2*	*9·1*
	2	*−1·3*	*−1·5*	*−8·6*	*6·8*	*−10·5*	*−12·8*	*−7·6*	*−4·1*	*−6·4*	*6·7*
	3	*−5·4*	*−3·0*	*−18·2*	*−1·7*	*−16·2*	*−14·4*	*−18·2*	*−9·9*	*−16·1*	*6·3*
	4	*−8·2*	*−7·0*	*−17·8*	*−4·0*	*−31·7*	*−36·7*	*−24·4*	*−5·3*	*−0·4*	*−1·9*
1981	*1*	*−11·4*	*−10·8*	*−19·3*	*−6·8*	*−29·9*	*−22·4*	*−38·7*	*−6·7*	*−28·4*	*−2·3*
	2	*−9·6*	*−5·9*	*−27·0*	*−9·1*	*−27·0*	*−21·8*	*−33·3*	*−5·6*	*−20·7*	*−3·0*
	3	*−7·4*	*0·0*	*−35·7*	*−12·9*	*−22·2*	*−11·2*	*−35·6*	*−0·2*	*−14·8*	*−5·7*
	4	*−4·0*	*1·7*	*−30·9*	*−5·3*	*−16·8*	*−3·6*	*−32·4*	*0·4*	*−6·7*	*−2·7*
1982	*1*	*4·5*	*11·5*	*−22·3*	*−2·6*	*3·7*	*4·0*	*3·2*	*9·2*	*12·8*	*−0·6*
	2	*1·7*	*6·9*	*−23·4*	*−1·8*	*6·0*	*13·5*	*−4·5*	*9·0*	*−7·0*	*−2·6*

---

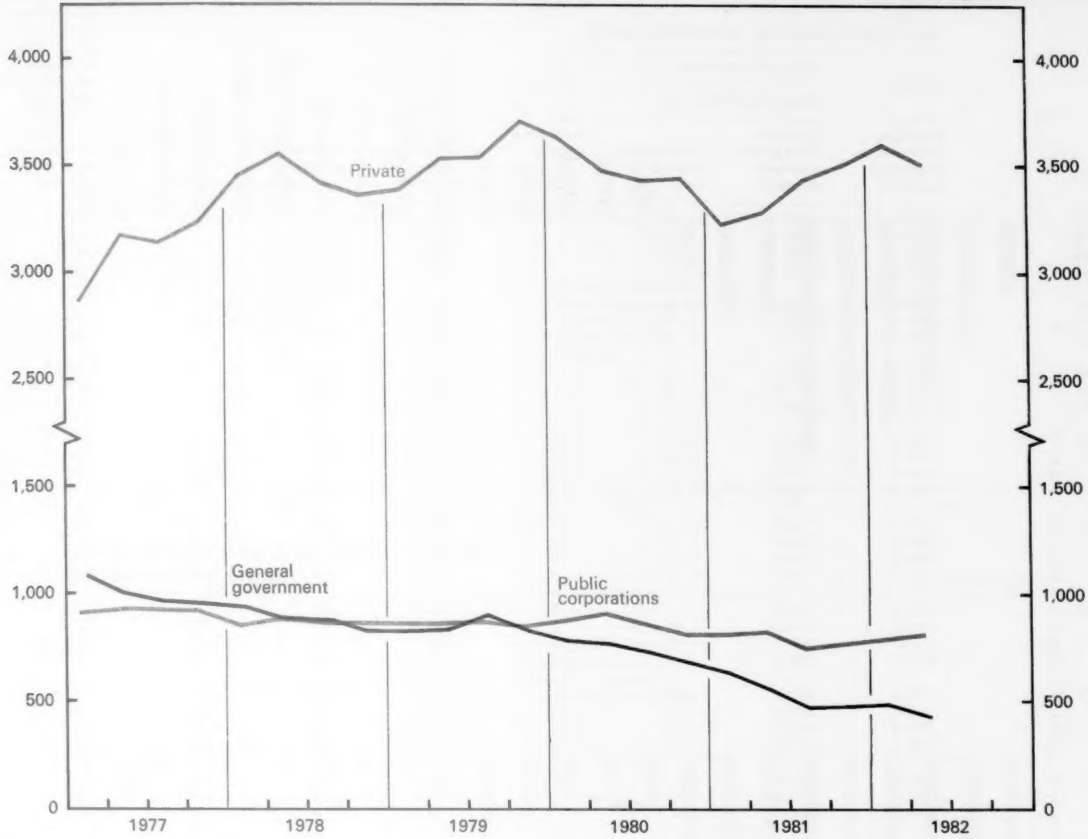
[1] For the years before 1973, totals may not equal the sum of their components, because of the method used in rebasing to 1975 prices.

[2] Including purchases *less* sales of land and existing buildings.

[3] Including transfer costs of land and buildings.

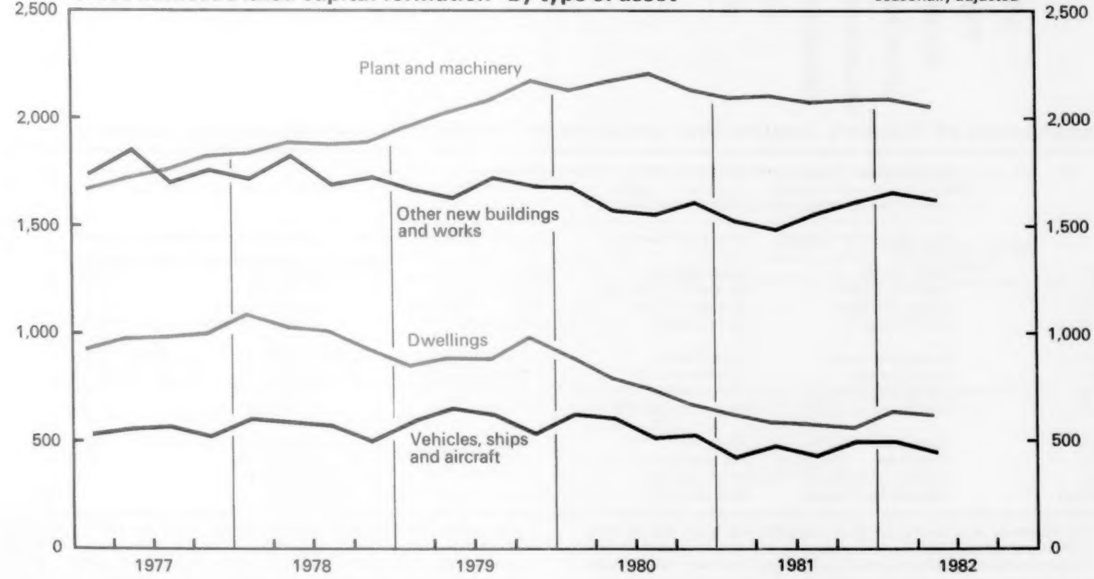
Gross domestic fixed capital formation—by sector

£ million, 1975 prices, seasonally adjusted



Gross domestic fixed capital formation—by type of asset

£ million, 1975 prices, seasonally adjusted



Indicators of fixed investment by manufacturing industry

		Gross fixed investment by manufacturing industry							New orders received by contractors for private industrial work (GB)
		Total§	Plant and machinery			New building and works			
			Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
		£ million, 1975 prices, seasonally adjusted	£ million, 1975 prices, seasonally adjusted	*Percentage change on year earlier*	Balance¹	£ million, 1975 prices, seasonally adjusted	*Percentage change on year earlier*	Balance¹	£ million, 1975 prices, seasonally adjusted
1972		3,370·4	2,420·4	*−13*	. .	710·6	*−19*	. .	1,003
1973		3,439·8	2,505·3	*+ 4*	. .	674·4	*− 5*	. .	1,287
1974		3,781·8	2,821·3	*+13*	. .	686·9	*+ 2*	. .	1,076
1975		3,521·9	2,682·1	*− 5*	. .	639·9	*− 7*	. .	684
1976		3,325·8	2,584·5	*− 4*	. .	503·5	*−21*	. .	797
1977		3,475·5	2,649·2	*+ 3*	. .	550·4	*+ 9*	. .	955
1978		3,769·4	2,884·4	*+ 9*	. .	622·4	*+13*	. .	998
1979		3,969·1	3,053·4	*+ 6*	. .	643·9	*+ 3*	. .	1,009
1980		3,573·4	2,807·8	*− 8*		535·0	*−17*		852
1981		2,937·5	2,328·5	*−17*	. .	431·1	*−19*	. .	791
1978	*1*	919·2	702·2	*+11*	21	145·8	*+10*	− 4	277
	2	956·3	735·9	*+13*	18	153·0	*+10*	− 7	254
	3	940·6	716·1	*+ 7*	13	157·2	*+14*	−15	256
	4	953·3	730·2	*+ 5*	10	166·4	*+18*	−11	211
1979	*1*	987·7	754·5	*+ 7*	12	168·1	*+15*	− 7	239
	2	986·5	759·2	*+ 3*	12	158·4	*+ 4*	− 6	257
	3	988·6	761·0	*+ 6*	8	162·5	*+ 3*	− 9	244
	4	1,006·3	778·7	*+ 7*	− 9	154·9	*− 7*	−20	269
1980	*1*	954·9	753·5	—	−18	133·7	*−20*	−30	223
	2	913·6	714·2	*− 6*	−18	139·9	*−12*	−31	225
	3	894·6	703·7	*− 8*	−43	135·2	*−17*	−47	197
	4	810·3	636·4	*−18*	−46	126·2	*−19*	−49	207
1981	*1*	777·4	611·5	*−19*	−38	127·6	*− 5*	−46	162
	2	756·1	603·2	*−16*	−30	111·2	*−21*	−40	184
	3	704·6	566·9	*−19*	−23	94·0	*−30*	−35	243
	4	699·4	546·9	*−14*	−13	98·3	*−22*	−33	201
1982	*1*	695·5	542·8	*−11*	− 5	99·8	*−22*	−25	176
	2	660·3	509·6†	*−16*	− 2	97·9	*−12*	−25	167
	3	651·5	498·0	*−12*	−11	99·2†	*+ 6*	−26	183
	4				−20			−33	

[1] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.

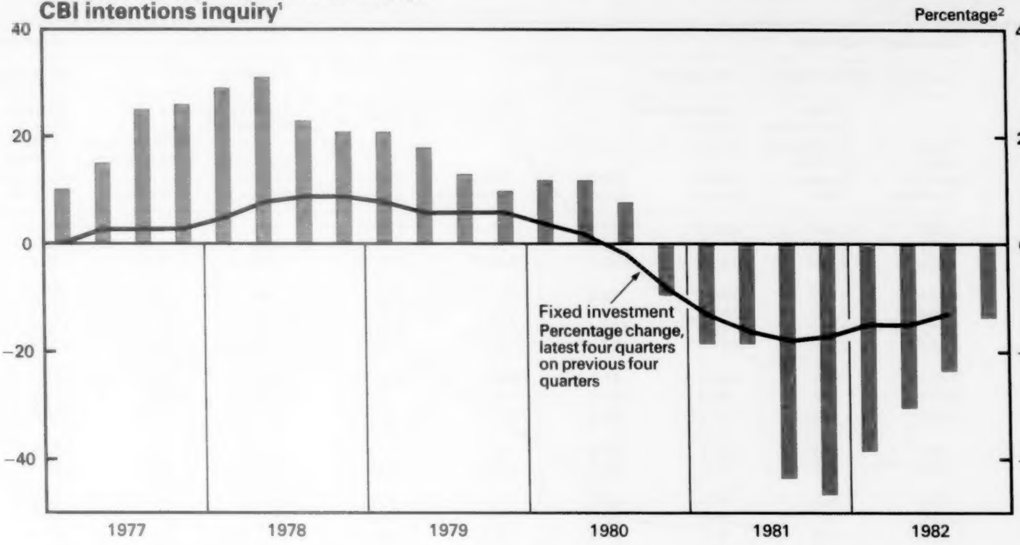
Department of Industry inquiry into investment intentions[1]: manufacturing industry

	Percentage change over previous year, in volume terms				
	Gross fixed investment (excluding leased assets)				
	First December Forecast	First June Forecast	Second December Forecast	Second June Forecast	Actual
1972	Little change	Little change	About −3	About −3	−13·5
1973	Might be a rise	No specific comment	+2 to +5	About +5	+ 2·1
1974	Strong increase	Strong increase	some +12 to +14	About +5	+ 9·9
1975	Little change	Little change	−7 to −10	Of order of −15	− 6·9
1976	Further reduction	Little change	−5 to −8	−6 (5 to 8)	− 5·6
1977	Large increase	Of order of +15	+10 to +15	+6 to +10	+ 4·5
1978	Strong increase	+20 or more	+10 to +13	+10 to +13	+ 8·5
1979	Rise, less than +8	Rise, less than +8	+4 to +8	+2 to +5	+ 5·3
1980	Slight fall	Slight fall	−6 to −10	−8 to −12	− 9·9
1981	Further fall	Fall of up to 8 to 12	−15 to −20	−15 to −18	−17·8
1982	Some recovery	Some recovery	−1 to −6	−3 to −5	
1983	Appreciable increase	Rise, around 5			

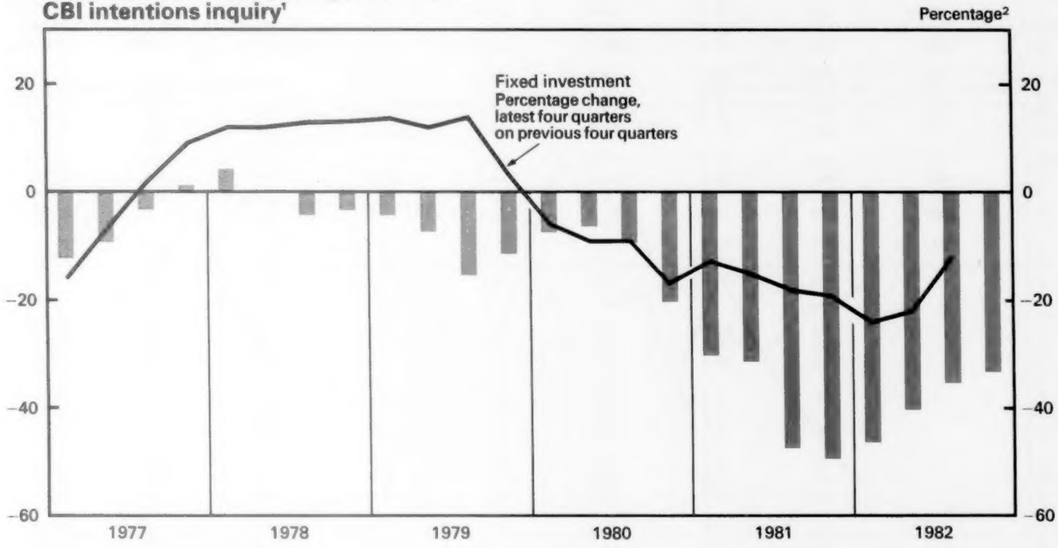
[1] The frequency and timing of these inquiries has been altered from 1980 and this has necessitated a change in the columns of the table. The summer forecasts which previously appeared have been discontinued and the table now gives information for all the remaining inquiries.

An article, "Investment intentions survey: 1971 to 1981" published in *British business* on 24 September 1982 describes these alterations and expands the table to include all the inquiries. A similar table is included for the inquiries into the distributive and service industries.

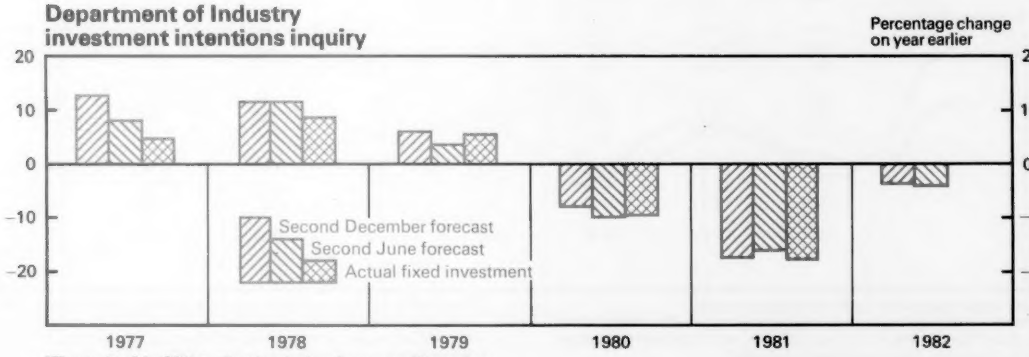
Investment in plant and machinery, CBI intentions inquiry[1]



Investment in new buildings and works, CBI intentions inquiry[1]



Department of Industry investment intentions inquiry



---

[1] The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment.

[2] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.

20

Indicators of fixed investment in dwellings

	Seasonally adjusted								Unadjusted
	£ million, 1975 prices		Thousands				£ million		1975 = 100
	Fixed investment in dwellings	Orders received by contractors for new houses (GB)	Housing starts (GB) §		Housing completions (GB) §		Building Societies Association		Average price of new dwellings: mortgages approved[1]
			Private sector[5]	Public sector	Private sector[5]	Public sector	Commitments on new dwellings	Advances on new dwellings	
1972	4,309	3,507	228·0	123·0	196·5	122·8	964	862	63·3
1973	4,152	3,320	215·7	112·8	186·6	107·5	816	903	86·2
1974	3,826	2,224	105·9	146·1	140·9	128·6	704	700	91·4
1975	4,149	2,663	149·1	173·8	150·8	162·3	994	945	100·0[2]
1976	4,264	2,712	154·7	170·8	152·2	163·0	1,119	1,125	108·4
1977	3,913	2,214	134·8	132·1	140·8	162·5	1,260	1,175	119·0
1978	4,061	2,316	157·3	107·4	149·0	130·7	1,523	1,504	142·6
1979	3,615	1,901	144·0	81·2	140·4	104·0	1,498	1,519	183·2
1980	3,106	1,266	98·0	56·0	126·6	106·9	1,444	1,406	219·6
1981	2,346	1,166	116·8†	36·9	114·2†	85·2	1,427	1,456	224·9
1977 *3*	991	552	35·3	34·6	34·8	41·8	330	305	120·5
4	1,000	590	34·9	34·5	36·2	42·9	391	340	124·5
1978 *1*	1,091	606	35·5	27·2	37·8	33·8	413	372	130·5
2	1,024	586	39·6	30·0	38·1	33·2	372	402	138·0
3	1,011	586	38·3	26·0	35·8	32·4	357	362	148·2
4	935	538	43·9	24·2	37·3	31·4	381	368	157·6
1979 *1*	851	444	28·0	18·2	31·2	23·2	375	368	166·1
2	893	499	35·5	20·9	33·8	25·3	378	384	178·2
3	892	512	38·1	19·9	32·9	24·8	378	399	190·6
4	979	446	42·4	22·2	42·5	30·7	367	368	201·8
1980 *1*	890	400	30·1	18·2	34·3	27·8	348	362	211·1
2	799	321	25·2	14·2	31·5	27·1	336	339	219·3
3	748	280	21·4	13·2	31·2	26·9	372	339	223·4
4	669	265	21·3	10·4	29·6	25·1	388	366	225·1
1981 *1*	624	285	31·5†	8·8	30·3	27·4	379	385	228·7[4]
2	583	267	28·8	8·4	26·9	22·5	375	362	229·6
3	582	292	30·5	8·9	29·0	19·4	338	359	224·5
4	557	322	26·0	10·8	28·0	15·9	335	350	215·0
1982 *1*	647	390	37·6	15·5	29·2	15·7	368	318	217·6
2	618	377	33·7	12·5†	29·4†	11·7	440	394	227·8
3		400	36·8[3]	12·0[3]	30·6[3]	11·0[3]	464	415	229·4
4									
1981 *J*	..	84	10·5	3·1	10·2	8·4	112†	128†	225·6[4]
F	..	108	11·4	3·1	10·0	10·4	138	128	229·5
M	..	93	9·6	2·6	10·1	8·6	129	129	230·5
A	..	80	8·7	2·8	8·8	7·8	123	121	231·3
M	..	97	10·3	2·8	9·1	7·3	121	116	230·1
J	..	89	9·8	2·8	9·0	7·4	133	125	227·5
J	..	94	9·7	2·7	8·9	6·5	111	118	229·2
A	..	95	11·0	2·9	10·1	6·7	113	121	224·4
S	..	104	9·8	3·3	10·0	6·2	114	120	220·1
O	..	117	9·1	3·3	9·5	5·9	105	119	217·1
N	..	101	9·4	4·3	9·3	5·6	115	116	213·3
D	..	104	7·5	3·2	9·2	4·4	115	115	214·3
1982 *J*	..	114	10·9	4·9	9·6	5·1	83	94	216·4
F	..	133	13·7	5·8	9·7	5·4	128	105	214·2
M	..	143	13·0	4·8	9·9	5·2	157	119	220·6
A	..	129	11·7	4·3	9·0	4·0	148	123	224·2
M	..	123	12·2	4·7	10·8	4·5	143	134	228·3
J	..	125	9·8†	3·5†	9·6	3·2	149	137	231·0
J	..	119	11·6	3·3	10·1	3·4	132	134	228·3
A	..	131	13·1[3]	4·4[3]	10·1[3]	3·7[3]	150	133	229·2
S	..	150[3]	12·1[3]	4·3[3]	10·4[3]	3·9[3]	182	148	230·5
O	..	127[3]	11·2[3]	3·5[3]	10·9[3]	3·6[3]	183	170	237·6
N									
D									

---

[1] Private sector figures for 1981 have been revised.

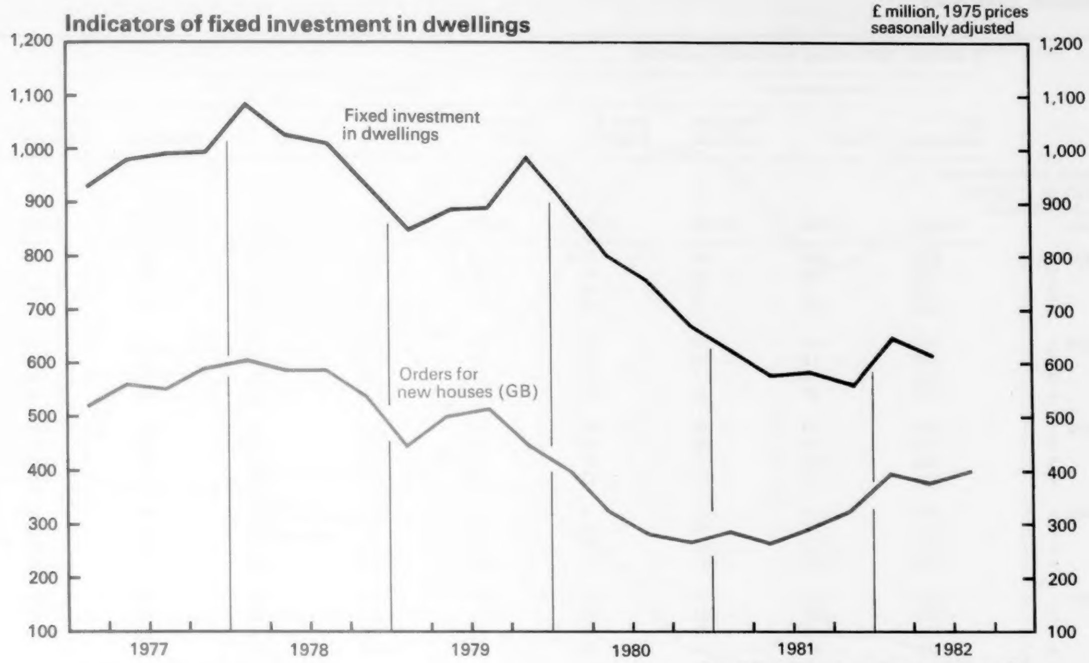
[2] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.

[3] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages.

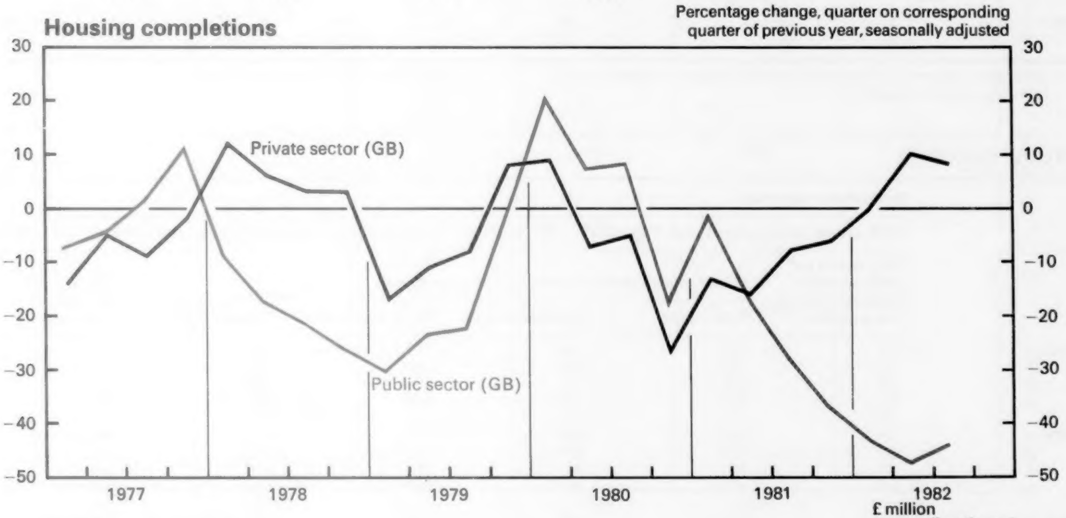
[4] Figures are based on a new return introduced in January 1981.

[5] Provisional.

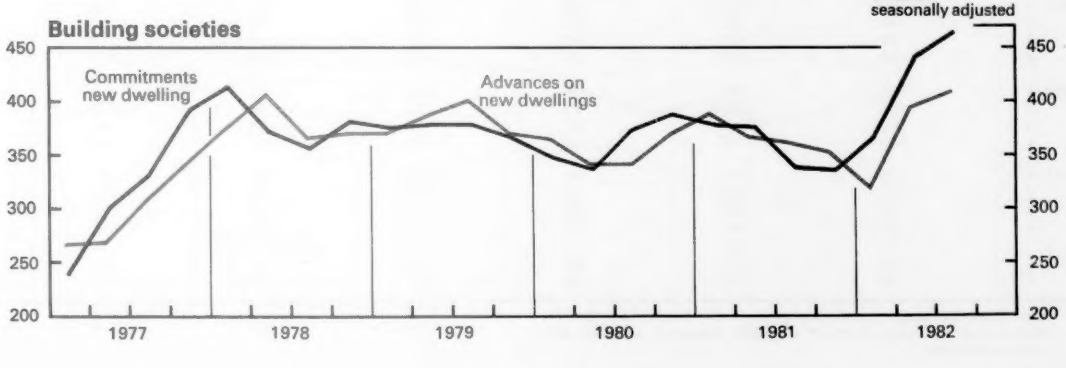
Indicators of fixed investment in dwellings



Housing completions



Building societies



Stock changes

£ million, 1975 prices, seasonally adjusted

	All industries	Manufacturing[1]				Distribution			Other industries
		Total	Materials and fuels	Work in progress	Finished goods	Total	Retail	Wholesale	
Value of stocks and work in progress end-December 1981[2]	33,083	17,922	6,070	6,762	5,090	8,912	3,958	4,954	6,249
1977 *1*	535	292	143	127	23	193	105	88	50
2	388	209	− 14	39	182	187	− 3	190	− 8
3	19	1	12	− 38	27	− 83	− 86	3	101
4	440	138	7	118	13	143	27	116	159
1978 *1*	304	149	43	45	63	131	11	120	24
2	276	− 12	− 30	− 36	54	174	140	34	114
3	253	5	5	− 30	30	200	34	166	48
4	313	86	32	148	− 94	216	110	106	11
1979 *1*	781	10	− 15	− 48	73	215	64	151	556
2	175	21	69	29	− 76	305	75	230	−151
3	542	184	32	57	94	178	123	55	180
4	284	− 21	− 72	−147	198	205	54	151	100
1980 *1*	−273	−119	−171	− 8	59	−224	−116	−108	70
2	− 22	−101	−104	− 90	92	11	43	− 32	68
3	−427	−322	−205	− 41	− 75	− 64	2	− 66	− 41
4	−833	−650	−267	−135	−249	−142	−140	− 2	− 41
1981 *1*	−642	−362	−133	− 71	−159	56	95	− 39	−336
2	−694	−398	−196	− 50	−151	− 35	42	− 77	−261
3	−226	−158	− 73	− 11	− 73	− 51	18	− 69	− 17
4	−309	− 96	−161	68	− 4	−214	− 62	−152	1
1982 *1*	1	49	20	− 64	94	82	67	15	−130
2	9	− 31	− 2	6	− 34	3	70	− 67	37

[1] Differences between totals and the sum of constituent parts of manufacturing are due to rounding.

[2] Unadjusted 1975 price stock levels.

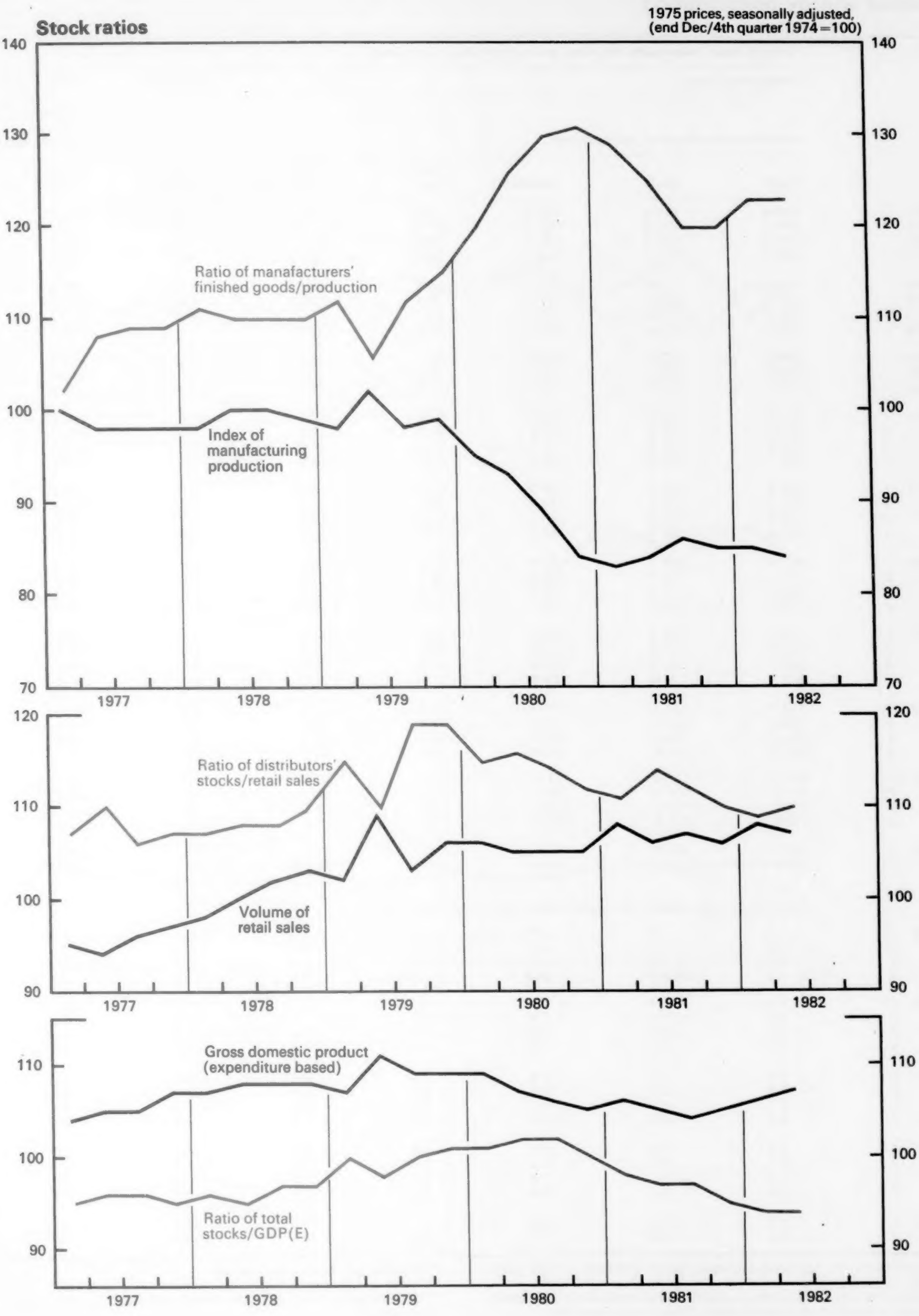
Stock ratios

Seasonally adjusted

1975 prices: stocks level, end-Dec. 1974=100; GDP (E), industrial production and retail sales, 4th quarter 1974=100

	Total stocks to gross domestic product (expenditure based)	Manufacturers' stocks to manufacturing production				Distributors'[1] stocks to retail sales
		Total stocks	Materials and fuel	Work in progress	Finished goods	
1977 *1*	95	97	90	102	102	107
2	96	100	92	105	108	110
3	96	101	93	105	109	106
4	95	101	93	106	109	107
1978 *1*	96	102	93	107	111	107
2	95	101	91	105	110	108
3	97	100	91	104	110	108
4	97	102	93	108	110	110
1979 *1*	100	103	93	108	112	115
2	98	99	90	104	106	110
3	100	103	94	109	112	119
4	101	103	92	106	115	119
1980 *1*	101	106	94	110	120	115
2	102	109	95	112	126	116
3	102	112	97	116	130	114
4	100	114	98	120	131	112
1981 *1*	98	113	97	120	129	111
2	97	110	93	118	125	114
3	97	106	90	115	120	112
4	95	106	88	117	120	110
1982 *1*	94	107	89	116	123	109
2	94	107	89	117	123	110

[1] Stocks held by retailers and general wholesale distributors. Stocks held by dealers in coal, builders' materials, industrial materials etc. are not included.


Stock ratios
1975 prices, seasonally adjusted, (end Dec/4th quarter 1974=100)
140
130
120
110
100
90
80
70
Ratio of manafacturers' finished goods/production
Index of manufacturing production
1977
1978
1979
1980
1981
1982
120
110
100
90
Ratio of distributors' stocks/retail sales
Volume of retail sales
Gross domestic product (expenditure based)
Ratio of total stocks/GDP(E)

Inland energy consumption

		Annual rates, seasonally adjusted and temperature corrected						
		Primary fuel input						Public supply
		Million tonnes of coal or coal equivalent						Thousand million kilowatt hours
		Total	Coal[1]	Petroleum[2]	Natural gas[3]	Nuclear electricity[4]	Hydro electricity[4]	Electricity available (GB)[5]
1971		332·9	140·0	152·4	28·8	9·9	1·8	215·9
1972		337·4	121·8	162·2	41·0	10·6	1·8	224·1
1973		354·2	133·2	164·5	44·4	10·1	2·0	241·0
1974		337·9	117·7	153·1	52·9	12·1	2·1	235·5
1975		326·9	120·6	137·1	56·3	10·9	2·0	234·2
1976		331·5	123·0	134·2	59·5	12·9	1·9	236·7
1977		338·2	122·4	136·8	62·7	14·3	2·0	240·2
1978		339·1	119·4	139·2	65·0	13·4	2·1	246·3
1979		349·3	127·2	137·0	69·1	13·8	2·2	255·0
1980		327·2	120·1	121·2	70·5	13·4	2·0	245·9
1981		315·4	117·7	110·1	71·6	13·7	2·3	239·2
1976	*1*	332·5	125·5	133·8	60·4	10·9	1·9	230·9
	2	334·6	120·8	139·5	59·2	12·5	2·6	240·4
	3	330·9	120·5	136·7	57·6	14·6	1·5	244·3
	4	328·0	125·2	126·8	61·0	13·4	1·6	231·4
1977	*1*	336·9	126·3	134·0	61·1	13·9	1·6	237·9
	2	337·7	121·1	137·7	62·0	14·5	2·4	242·9
	3	340·5	121·6	138·1	63·4	15·7	1·7	248·3
	4	337·5	120·4	137·3	64·3	13·1	2·4	231·9
1978	*1*	331·4	116·7	133·4	64·9	14·6	1·8	237·3
	2	341·2	118·7	142·9	64·2	13·3	2·1	248·1
	3	338·3	117·2	143·6	62·4	13·2	1·9	253·9
	4	343·4	125·2	136·7	66·5	12·5	2·5	245·7
1979	*1*	349·1	121·8	141·0	70·3	14·5	1·5	252·6
	2	355·8	131·3	139·4	69·4	13·3	2·4	257·6
	3	352·1	131·8	137·8	66·6	13·3	2·6	257·7
	4	342·1	124·8	129·8	71·1	14·0	2·4	252·0
1980	*1*	333·9	121·5	124·4	72·4	13·8	1·8	242·5
	2	328·3	122·1	122·0	69·9	12·9	1·4	248·1
	3	323·7	119·3	123·1	66·1	12·5	2·7	249·0
	4	321·2	117·6	115·4	71·7	14·2	2·3	244·1
1981	*1*	317·9	115·9	111·1	74·4	13·5	3·0	235·7
	2	311·7	116·1	108·5	71·1	14·1	1·9	238·9
	3	319·2	123·0	113·5	67·5	13·4	1·8	242·0
	4	312·9	115·6	107·4	73·6	13·8	2·5	240·3
1982	*1*	313·2	109·4	114·7	73·1	13·7	2·3	238·3
	2[6]	304·7	111·5	110·3	66·2	14·3	2·4	235·4
		Percentage change, quarter on corresponding quarter of previous year						
1978	*1*	*− 1·6*	*− 7·6*	*− 0·5*	*+ 6·2*	*+ 5·0*	*+12·5*	*− 0·2*
	2	*+ 1·0*	*− 2·0*	*+ 3·8*	*+ 3·6*	*− 8·3*	*−12·5*	*+ 2·1*
	3	*− 0·7*	*− 3·6*	*+ 4·0*	*− 1·6*	*−15·9*	*+11·8*	*+ 2·3*
	4	*+ 1·7*	*+ 4·0*	*− 0·4*	*+ 3·4*	*− 4·6*	*+ 4·2*	*+ 6·0*
1979	*1*	*+ 5·3*	*+ 4·4*	*+ 5·7*	*+ 8·3*	*− 0·7*	*−16·7*	*+ 6·4*
	2	*+ 4·3*	*+10·6*	*− 2·4*	*+ 8·1*	—	*+14·3*	*+ 3·8*
	3	*+ 4·1*	*+12·5*	*− 4·0*	*+ 6·7*	*+ 0·8*	*+36·8*	*+ 1·5*
	4	*− 0·4*	*− 0·3*	*− 5·0*	*+ 6·9*	*+12·0*	*− 4·0*	*+ 2·6*
1980	*1*	*− 4·4*	*− 0·2*	*−11·8*	*+ 3·0*	*− 4·8*	*+20·0*	*− 4·0*
	2	*− 7·7*	*− 7·0*	*−12·5*	*+ 0·7*	*− 3·0*	*−41·7*	*− 3·7*
	3	*− 8·1*	*− 9·5*	*−10·7*	*− 0·8*	*− 6·0*	*+ 3·8*	*− 3·4*
	4	*− 6·1*	*− 5·8*	*−11·1*	*+ 0·8*	*+ 1·4*	*− 4·2*	*− 3·1*
1981	*1*	*− 4·8*	*− 4·6*	*−10·7*	*+ 2·8*	*− 2·2*	*+66·7*	*− 2·8*
	2	*− 5·1*	*− 4·9*	*−11·1*	*+ 1·7*	*+ 9·3*	*+35·7*	*− 3·7*
	3	*− 1·4*	*+ 3·1*	*− 7·8*	*+ 2·1*	*+ 7·6*	*−33·3*	*− 2·8*
	4	*− 2·6*	*− 1·7*	*− 6·9*	*+ 2·6*	*− 2·8*	*+ 8·7*	*− 1·6*
1982	*1*	*− 1·5*	*− 5·6*	*+ 3·2*	*− 1·7*	*+ 1·5*	*−23·3*	*+ 1·1*
	2	*− 2·2*	*− 4·0*	*+ 1·7*	*− 6·9*	*+ 1·4*	*+26·3*	*− 1·5*

---

[1] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels.

[2] Refinery throughput of crude oil *plus* net foreign trade and stock change in petroleum products *less* deliveries of non-energy products.

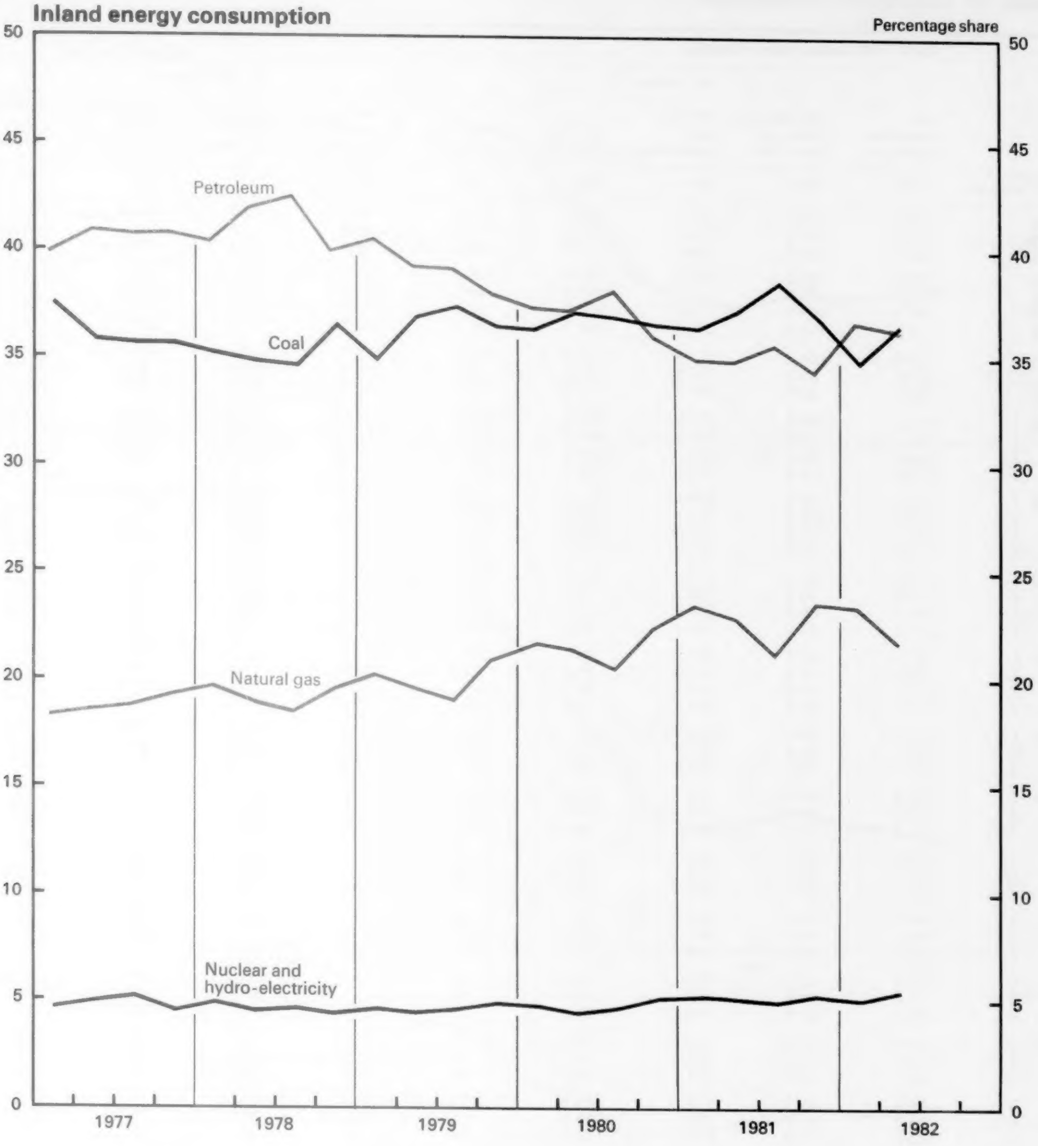
[3] Excluding gas flared or re-injected.

[4] Nuclear and hydro electricity are not temperature corrected.

[5] The inclusion of Northern Ireland would add about 2% to the total.

[6] Provisional.

Inland energy consumption



26

Index of industrial production

	1975 =100, seasonally adjusted								
			By industry				By market sector[1]		
	All industries covered §	All industries other than MLH 104[2]	Mining and quarrying	Manufacturing §	Construction[3]	Gas, electricity and water	Consumer goods industries	Investment goods industries	Intermediate goods industries
1975 weights	*1,000*	*999·7*	*41*	*697*	*182*	*80*	*243*	*218*	*349*
1972	101·9	101·7	100·3	100·0	115·0	93·0	99·8	91·2	104·1
1973	109·4	109·2	110·3	108·4	117·8	98·6	107·9	99·0	112·6
1974	105·1	105·1	89·7	106·6	105·6	98·5	106·0	102·1	106·0
1975	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1976	102·1	100·7	127·9	101·4	98·6	102·3	101·7	96·9	107·2
1977	106·1	101·9	193·5	103·0	98·2	106·4	104·8	98·3	116·0
1978	110·3	104·2	241·1	104·0	104·9	109·7	107·0	99·1	122·4
1979	113·0	104·2	307·3	104·3	101·3	116·1	106·4	100·1	132·0
1980	105·8	96·8	312·9	95·4	95·9	113·0	98·4	97·4	121·7
1981	100·4	90·5	332·4	89·4	85·0	112·7	93·4	89·2	120·4
1978 *1*	107·9	102·8	217·0	103·2	102·0	106·5	105·5	99·3	118·5
2	111·0	105·0	237·8	104·6	107·1	111·1	108·3	98·6	122·7
3	111·5	105·2	245·0	104·9	106·2	112·4	108·3	100·2	123·4
4	110·6	103·6	264·6	103·4	104·4	108·8	106·0	98·3	124·8
1979 *1*	110·5	102·3	289·5	102·4	96·9	119·7	105·7	99·0	128·1
2	115·8	106·9	310·1	107·6	102·9	117·0	109·4	103·6	134·8
3	113·1	103·8	321·9	103·2	102·9	115·3	105·3	96·9	134·0
4	112·8	104·0	307·7	104·1	102·4	112·3	105·2	100·9	131·0
1980 *1*	110·5	101·3	317·4	100·5	100·9	112·8	104·2	102·7	124·8
2	107·4	98·6	309·2	97·5	97·8	112·4	98·4	98·1	124·8
3	104·0	95·3	303·2	93·6	94·6	113·2	96·9	96·4	118·7
4	101·5	92·0	321·7	90·0	90·2	113·7	94·1	92·2	118·4
1981 *1*	100·2	90·3	330·3	89·0	87·3	109·5	93·5	88·9	118·7
2	100·0	90·3	327·4	89·3	83·5	113·6	93·3	89·7	119·7
3	100·6	90·8	328·5	89·7	86·1	111·6	93·5	88·9	120·4
4	101·0	90·5	343·6	89·6	83·1	116·2	93·3	89·3	122·9
1982 *1*	100·6	90·2	343·7	89·3	84·3	112·1	92·4	90·8	121·0
2	101·1	89·8	361·7	88·9	84·8	110·9	91·8	91·6	122·0
3	101·7	90·2	368·8	88·4	87·8	111·6	91·4	91·4	122·6
1980 *J*	112·2	103·3	312	102·9	101	116	106	104	127
F	110·0	100·8	318	100·3	101	108	104	104	123
M	109·2	99·9	321	98·4	101	114	102	100	124
A	107·6	99·1	301	98·6	98	110	99	99	124
M	107·4	98·3	313	97·3	98	112	97	98	125
J	107·3	98·2	314	96·8	98	115	98	97	125
J	106·1	97·2	310	95·7	95	119	99	98	123
A	103·5	94·9	301	93·3	95	111	97	97	117
S	102·3	93·8	299	91·9	95	109	95	95	116
O	101·6	92·7	310	90·6	90	117	95	93	118
N	101·4	91·9	325	89·9	90	113	94	92	119
D	101·3	91·6	330	89·6	90	111	94	91	119
1981 *J*	99·8	90·2	325	88·8	87	109	93	90	117
F	100·3	90·4	329	89·3	87	109	94	89	119
M	100·5	90·3	337	88·9	87	110	93	89	120
A	100·2	90·0	336	89·3	84	111	94	90	120
M	99·3	89·8	322	88·5	84	115	92	89	119
J	100·5	90·9	324	90·2	84	114	94	90	121
J	100·5	91·0	322	89·5	86	115	94	89	120
A	100·2	90·4	328	89·3	86	111	93	89	120
S	101·0	90·9	336	90·2	86	109	94	89	122
O	102·0	91·5	346	90·7	83	119	94	89	125
N	100·7	90·2	346	89·7	83	112	93	89	123
D	100·1	89·9	339	88·5	83	118	93	89	121
1982 *J*	100·2	89·8	342	88·4	84	115	91	90	121
F	100·7	90·4	342	89·7	84	110	93	91	121
M	101·1	90·5	347	89·8	84	111	93	92	122
A	101·3	90·1	364	89·1	85	111	92	92	123
M	101·5	90·3	362	89·4	85	111	93	92	122
J	100·4	89·1	359	88·0	85	111	91	92	121
J	101·5	90·2	367	88·3	88	112	91	91	123
A	101·5	90·3	365	88·4	88	113	91	92	122
S	101·9	90·2	375	88·6	88	110	92	92	123
O	101·5	89·6	377	87·9	87	112	93	90	122

---

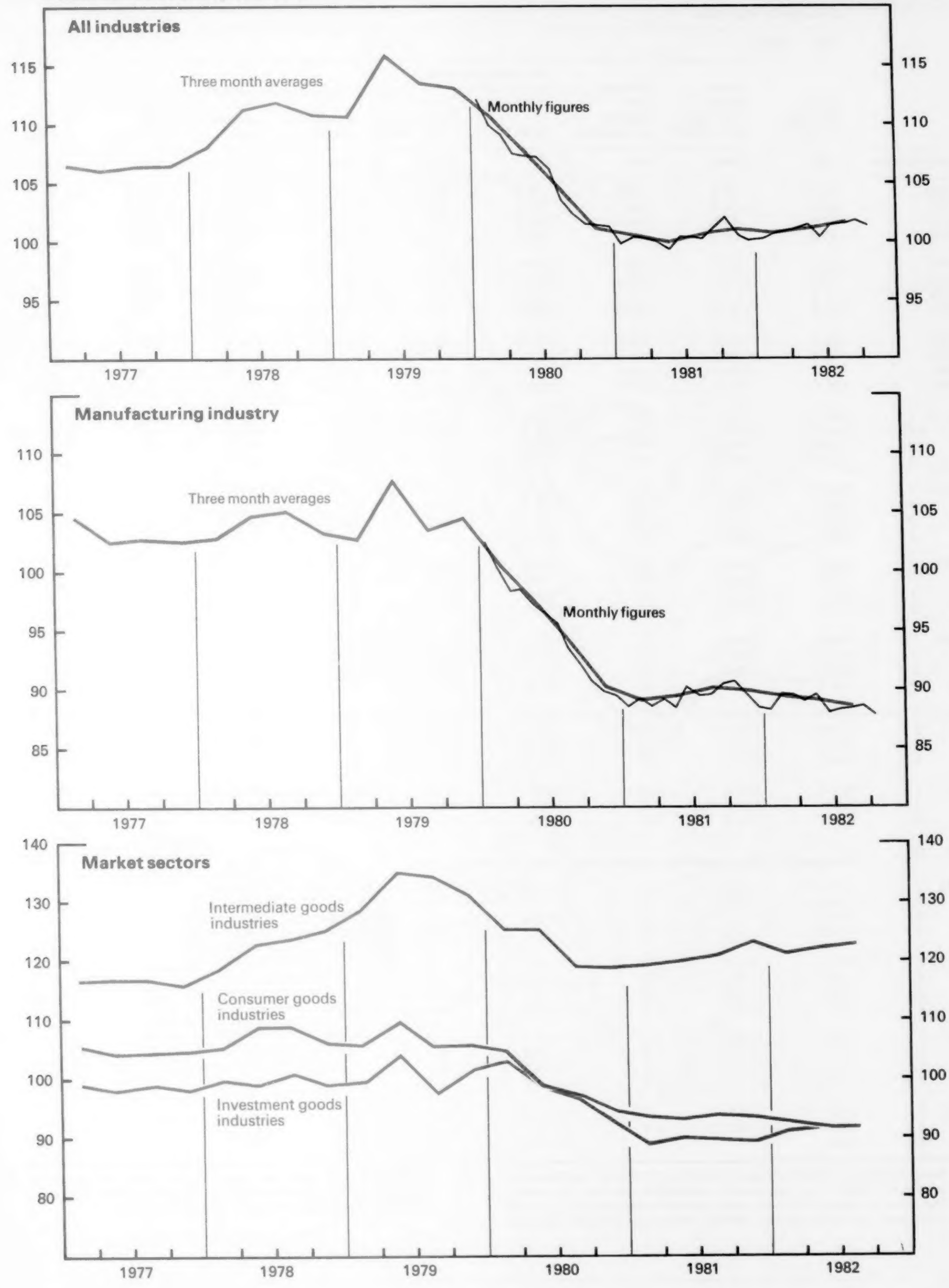
[1] All industries other than construction.

[2] MLH 104: extraction of mineral oil and natural gas.

[3] For an index of construction output for Great Britain, see page 30.

Index of industrial production

1975 = 100,
seasonally adjusted



28

Index numbers of output at constant factor cost

Seasonally adjusted

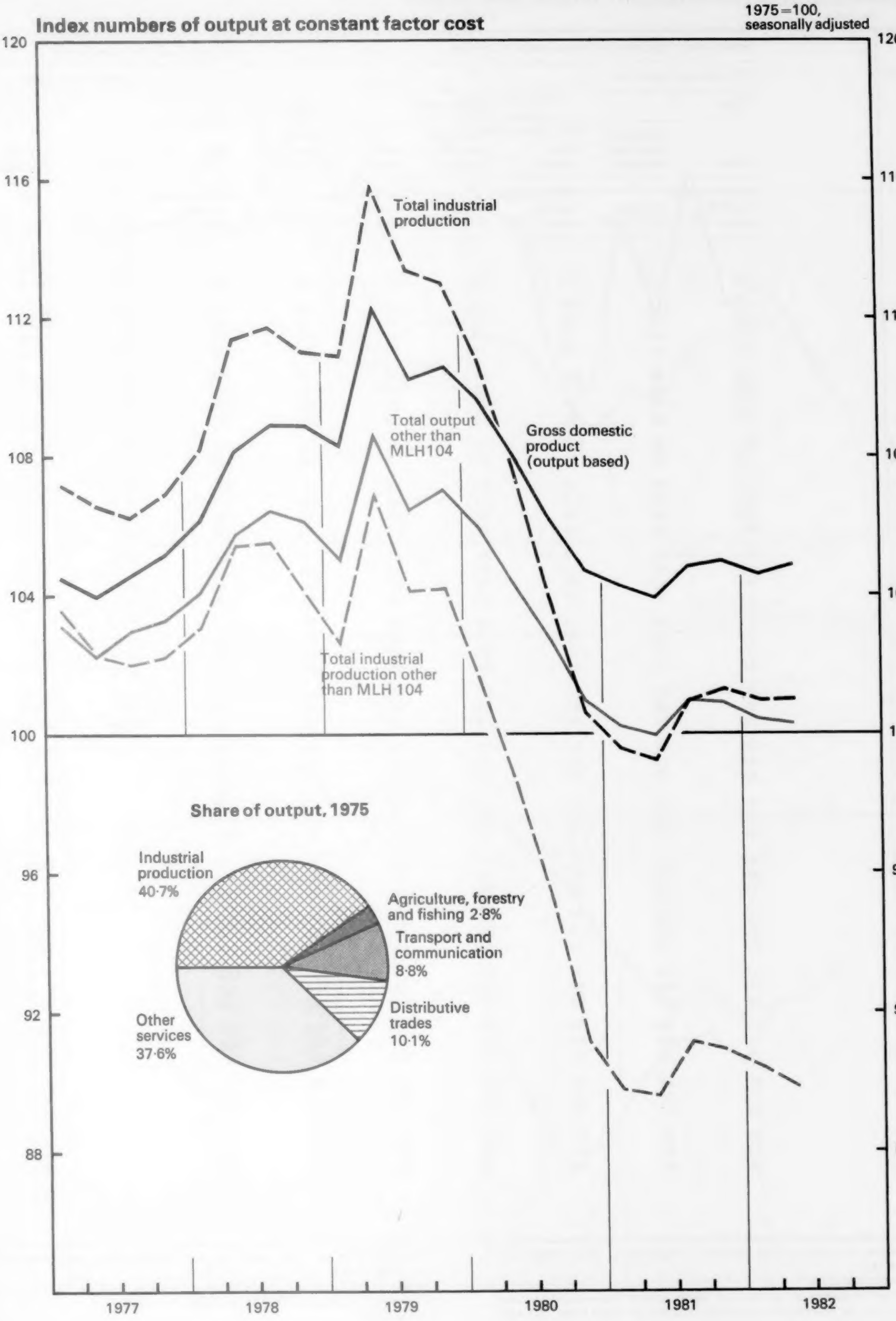
1975 = 100

		Gross domestic product[1] §	Total output other than MLH 104[1],[2]	Agriculture, forestry and fishing	Industrial production			Transport and communication	Distributive trades	Other
					Total[1] §	Total other than MLH 104[1],[2]	Manufacturing[1]			
1975 weights		*1,000*	*999·9*	*28*	*407*	*406·6*	*283*	*88*	*101*	*376*
1970		93·6	93·6	95·6	99·9	99·8	98·4	86·9	94·6	88·0
1971		94·9	94·9	100·7	99·6	99·5	97·3	89·2	96·1	90·6
1972		97·9	97·8	104·0	101·6	101·4	99·6	93·5	100·9	93·8
1973		103·6	103·5	107·3	109·7	109·5	108·8	100·5	106·8	96·6
1974		102·0	102·0	108·7	105·7	105·7	107·5	100·7	103·3	97·3
1975		100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1976		101·8	101·3	92·1	102·5	101·1	102·0	99·1	100·8	102·8
1977		104·6	102·9	103·9	106·8	102·6	103·9	102·0	99·5	104·2
1978		108·1	105·6	112·0	110·6	104·5	104·5	104·6	104·3	106·9
1979		110·3	106·7	111·9	113·2†	104·4	104·6†	109·8	108·1	107·8
1980		107·1	103·5	122·6	105·7	96·6	95·1	108·3	104·6	108·0
1981		104·5	100·4	121·6†	100·3	90·2†	89·0	107·0	104·0†	107·4†
1977	*1*	104·5	103·1	100	107·2	103·6	105·8	103	100	104
	2	104·0	102·2	103	106·6	102·3	103·7	100	98	104
	3	104·6	102·9	106	106·3	102·0	103·0	102	100	105
	4	105·2	103·3	107	106·9	102·3	103·2	102	101	105
1978	*1*	106·2	104·1	110	108·2	103·1	103·7	103	101	106
	2	108·2	105·7	113	111·4	105·4	105·1	105	104	106
	3	108·9	106·4	113	111·7	105·5	105·3†	104	106	108
	4	108·9	106·1	113	111·0	104·0	104·0	107	106	108
1979	*1*	108·3	105·0	111	110·8	102·6	102·8	104	105	107
	2	112·3	108·6	110	115·9†	106·9	107·7	112	113	109
	3	110·2	106·4	111	113·3	104·0†	103·6	112	106	107
	4	110·6	107·0	115	112·9	104·1	104·3	111	108	108
1980	*1*	109·6	105·9	120	110·7	101·5	100·8	110	107	108
	2	108·0	104·3	123	107·5	98·6	97·6	109	105	108
	3	106·2	102·7	124	103·7	95·1	93·3	108	104	108
	4	104·7	100·9	123	100·5	91·1	88·7	106	103	108
1981	*1*	104·3	100·2	122	99·5	89·6	87·9	107	105	107
	2	104·0†	100·0†	121†	99·3	89·6	88·4	106	103	107
	3	104·7	100·7	122	100·6	90·8	89·8	107†	104	107
	4	104·9	100·7	122	101·1	90·6	89·8	108	104	107
1982	*1*	104·6	100·4	122	100·8	90·3	89·5	106	105	107
	2	104·9	100·3	122	101·2	89·9	89·0	108	105	107
	3	105·3	100·7	123	101·5	90·1	88·3	106	107	108
		Percentage change, quarter on corresponding quarter of previous year								
1979	*1*	*+1·9*	*+0·8*	*+1*	*+ 2·3*	*− 0·5*	*− 0·8*	*+1*	*+4*	*+1*
	2	*+3·8*	*+2·7*	*−2*	*+ 4·1*	*+ 1·5*	*+ 2·5*	*+7*	*+9*	*+2*
	3	*+1·2*	—	*−2*	*+ 1·4*	*− 1·4*	*− 1·6*	*+8*	*+1*	—
	4	*+1·5*	*+0·9*	*+2*	*+ 1·7*	*+ 0·2*	*+ 0·3*	*+4*	*+2*	—
1980	*1*	*+1·2*	*+0·9*	*+8*	*− 0·1*	*− 1·0*	*− 2·0*	*+6*	*+1*	*+1*
	2	*−3·8*	*−3·9*	*+12*	*− 7·2*	*− 7·8*	*− 9·4*	*−2*	*−7*	*−1*
	3	*−3·6*	*−3·5*	*+12*	*− 8·5*	*− 8·6*	*− 9·9*	*−4*	*−3*	—
	4	*−5·3*	*−5·7*	*+7*	*−11·0*	*−12·5*	*−15·0*	*−4*	*−5*	—
1981	*1*	*−4·9*	*−5·4*	*+2*	*−10·1*	*−11·8*	*−12·8*	*−3*	*−2*	*−1*
	2	*−3·7*	*−4·1*	*−2*	*− 7·6*	*− 9·1*	*− 9·5*	*−3*	*−1*	*−1*
	3	*−1·4*	*−1·9*	*−2*	*− 3·0*	*− 4·4*	*− 3·8*	—	—	—
	4	*+0·2*	*−0·2*	*−1*	*+ 0·6*	*− 0·5*	*+ 1·3*	*+1*	*+1*	*−1*
1982	*1*	*+0·3*	*+0·1*	—	*+ 1·3*	*+ 0·8*	*+ 1·7*	*−1*	*+1*	—
	2	*+0·9*	*+0·3*	*+1*	*+ 1·9*	*+ 0·4*	*+ 0·7*	*+1*	*+1*	—
	3	*+0·6*	—	*+1*	*+ 0·9*	*− 0·8*	*− 1·7*	*−1*	*+3*	—

---

[1] Some indicators within the index of industrial production are based on sales data, which may overstate or understate the level of output. The index numbers in this table allow for this by adjusting for changes in the level of stocks in these sectors. Differences between the data in this table and those on page 26 arise from this adjustment and also because page 26 may be based on later information.

[2] MLH 104: Extraction of mineral oil and natural gas.


Index numbers of output at constant factor cost
1975=100, seasonally adjusted
120
116
112
108
104
100
96
92
88
Total industrial production
Gross domestic product (output based)
Total output other than MLH104
Total industrial production other than MLH 104
Share of output, 1975
Industrial production 40·7%
Agriculture, forestry and fishing 2·8%
Transport and communication 8·8%
Distributive trades 10·1%
Other services 37·6%
1977
1978
1979
1980
1981
1982

Engineering and construction: output and orders

Seasonally adjusted volume index numbers

		Engineering industries[1]							Construction (GB)	
		Total			Home market		Export			
		Sales	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Output[3], [4]	Orders received
		1975 average monthly sales =100	Average 1975 =100	1975 average monthly sales =100	Average 1975 =100	1975 average monthly sales =100	Average 1975 =100	1975 average monthly sales =100	1975 =100	1975 =100
1971		..	..	..	..	..	..	..	116·2	139·2
1972		..	..	..	..	..	..	..	117·4	146·3
1973		98	113	116	119	121	100	105	118·1	141·4
1974		102	114	103	115	102	112	108†	106·0	101·1
1975		100	88	83	87	83	89	84	100·0	100·0
1976		97	80	92	74	87	93	103	98·5	105·5
1977		97	81	98	74	93	94	108	98·0	94·6
1978		99	86	102	81	100	93	105	104·4	98·5
1979		100	89	102	85	100	95	107	100·7	88·1
1980		98	79	91	75	88	87	100	95·6	74·3
1981		89	88	95	81	89	102	108	84·6	79·7
1978	*3*	100	83	102	76	100	95	110	105·5	99·2
	4	99	86	108	81	110	93	101	103·8	95·8
1979	*1*	97	87	99	82	94	96	108	96·4	87·0
	2	105	87	105	83	102	95	111	101·9	93·9
	3	98	89	100	85	101	94	99	102·3	85·2
	4	102	89	105	85	102	95	109	102·2	86·4
1980[5]	*1*	103	88	99	85	97	93	106	100·3	80·5
	2	99	87	97	83	92	95	109	97·4	74·7
	3	97	83	85	79	83	90	90	94·5	69·7
	4	91	79	83	75	79	87	94	90·0	72·2
1981	*1*	89	83	98	79	95	91	106	87·0	77·4
	2	89	82	89	78	86	91	94	83·1	80·7
	3	89	87	102	80	90	102	133	85·5	81·7
	4	89	88	90	81	86	102	99	82·9	79·0
1982	*1*	90†	89†	92	82	88†	103	103†	84·0	84·3
	2	90	88	88	81†	84	102	98	84·6	78·6
	3	94	84	84	78	85	95	80	87·5[5]	81·0[5]
1980	*O*	94	81	81	77	79	88	84	..	63·7
	N	92	79	80	75	73	88	99	..	71·1
	D	88	79	88	75	85	87	95	..	81·9
1981	*J*	87	79	93	75	90	88	99	..	83·3
	F	89	80	92	75	81	90	117	..	77·3
	M	89	83	109	79	113	91	101	..	71·7
	A	90	83	87	77	82	91	98	..	66·8
	M	88	81	84	77	82	90	84	..	80·2
	J	89	82	96	78	94	91	100	..	95·1
	J	90	83	97	81	94	90	102	..	84·4
	A	90	86	116	80	86	100	186	..	81·8
	S	89	87	95	80	88	102	111	..	78·8
	O	92	88	96	80	89	103	113	..	81·0
	N	90	88	89	80	83	104	104	..	79·6
	D	85	88	85	81	86	102	80	..	76·5
1982	*J*	90	89†	95†	82†	91†	102	104†	..	80·7
	F	92	89	94	82	91	102	102	..	80·0
	M	89	89	87	82	81	103	103	..	92·3
	A	90	89	96	82	90	104	108	..	74·2
	M	94	89	94	82	90	104†	102	..	78·8
	J	88	88	75	81	71	102	84	..	82·8
	J	93	86	82	80	82	100	81		84·9
	A	93	85	84	78	82	98	88		68·6†
	S	95	84	86	78	92	95	72		89·5
	O									74·9[5]
	N									
	D									

---

[1] Mechanical, instrument and electrical engineering (SIC Orders VII, VIII and IX).

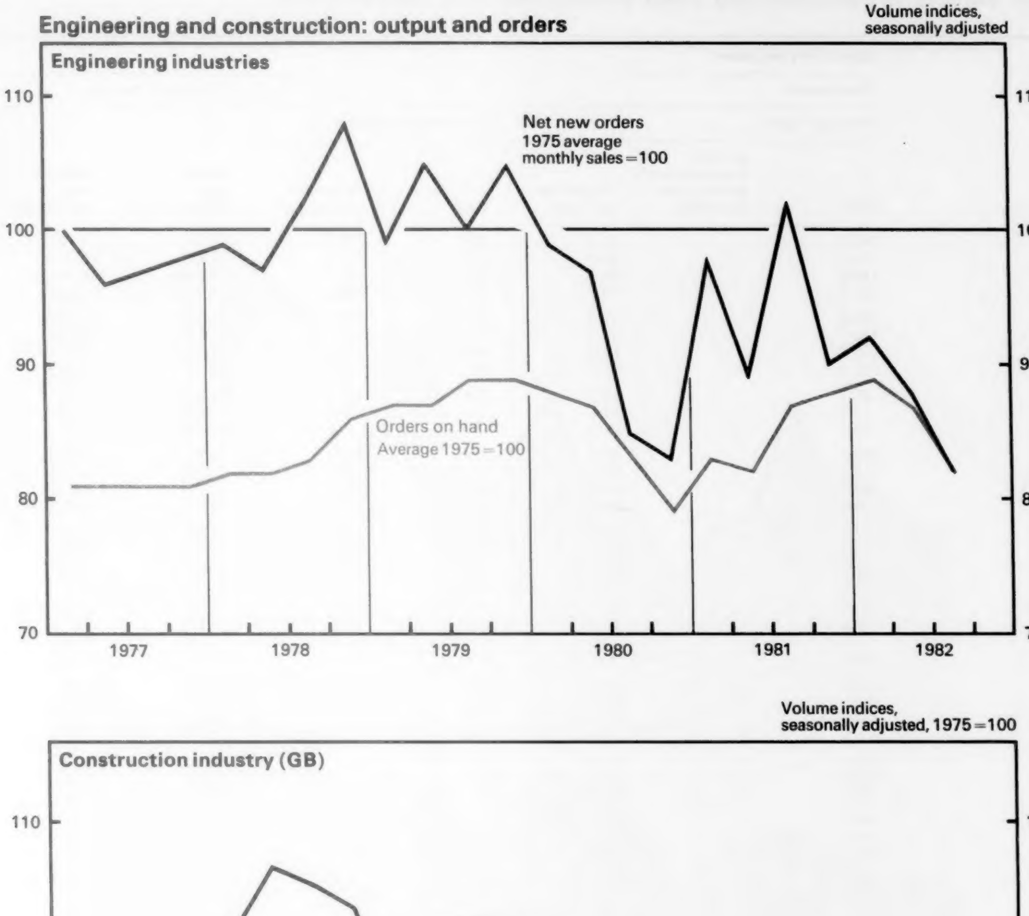
[2] Net of cancellations.

[3] This index is based on an output series which includes repair and maintenance estimates of unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.

[4] Details of the method of deflation to constant prices are given in *Economic Trends*, No. 297, July 1978.

[5] Provisional.

Engineering and construction: output and orders



Motor vehicle production and steel production and consumption

		Seasonally adjusted						
		Thousands[1]					Thousand tonnes	
		Passenger cars§			Commercial vehicles§			
		Total	*of which* Units previously shown under assembly[2]	Production for export	Total	*of which:* For export	Crude steel production[3], [4]	Finished steel consumption
1971		145·2	..	59·5	38·0	15·7	24,274	16,722
1972		160·1	..	51·1	34·0	11·3	25,351	16,750
1973		145·6	..	50·4	34·7	13·3	26,684	18,445
1974		127·8	..	49·7	33·5	14·2	22,362	17,548
1975		105·6	..	44·3	31·7	15·5	19,737[5]	15,446[5]
1976		111·1	..	47·1	31·0	15·8	22,236	15,804
1977		109·7	..	46·9	33·2	16·4	20,385	15,300
1978		101·9	..	41·2	32·0	14·1	20,237	15,593
1979		89·2	..	32·7	34·0	13·5	21,412	15,231
1980		77·0	..	29·1	32·4	13·0	11,387	12,581
1981		79·6	3	25·4	19·1	9·5	15,308[5]	12,115
1978	*1*	109·9	..	45·0	32·6	15·3	4,957	4,202
	2	113·8	..	43·4	33·7	14·7	5,278	3,949
	3	108·1	..	41·2	34·0	14·3	4,757	3,910
	4	75·5	..	35·2	27·9	12·0	5,245	3,522
1979	*1*	97·9	..	35·3	36·8	14·6	4,954	3,644
	2	100·8	..	36·1	37·3	15·7	5,720	3,916
	3	75·8	..	26·1	30·4	12·3	5,485	3,754
	4	82·6	..	33·5	31·6	11·5	5,252	3,930
1980	*1*	90·9	..	35·7	38·2	13·1	764	3,017
	2	78·6	..	34·0	33·8	12·1	4,098	3,434
	3	75·8	..	27·5	32·4	14·0	3,498	3,152
	4	62·6	..	19·2	25·3	12·9	3,027	2,985
1981	*1*	73·9	3	23·2	17·5	9·5	3,585	2,865
	2	76·5	4	26·2	17·9	9·2	3,892	2,930
	3	90·5	2	27·4	19·5	9·8	3,813[6]	3,250
	4	77·2	2	24·7	21·6	9·5	4,018	3,070
1982	*1*	79·2	1	19·2	21·2	8·1	4,030	3,152
	2	72·8	1	20·8	21·1	8·1	3,840	3,170[8]
	3	72·3	1	18·1	23·5	8·2	3,054†	2,960[8]
1980	*J*	96·7	..	37·7	37·3	16·0	1,634[7]	..
	A	74·2	..	26·6	31·8	14·0	1,056	..
	S	56·4	..	18·2	28·1	12·1	808	..
	O	66·3	..	22·1	27·6	13·1	1,065[7]	..
	N	56·1	..	17·7	26·7	14·7	977	..
	D	65·5	..	17·9	21·7	10·9	985	..
1981	*J*	70·4	1	17·5	18·7	10·5	1,177[7]	..
	F	68·1	2	20·4	16·8	8·6	1,219	..
	M	83·2	5	31·6	17·0	9·4	1,189	..
	A	88·7	5	31·8	20·3	10·2	1,470[7]	..
	M	53·5	3	18·5	14·9	7·8	1,128	..
	J	87·4	5	28·4	18·4	9·4	1,294	..
	J	100·8	2	29·0	20·1	9·8	1,650[7]	..
	A	82·4	2	23·1	17·0	9·9	1,013	..
	S	88·4	2	30·1	21·5	9·6	1,443[7]	
	O	90·9	1	31·4	20·9	9·4	1 263	..
	N	58·8	3	18·6	21·6	9·8	1,298	..
	D	82·0	2	24·1	22·4	9·4	1,457[7]	..
1982	*J*	72·1	1	18·2	18·7	8·5	1,138	..
	F	80·1	2	20·5	22·5	7·9	1,310	..
	M	85·3	1	18·8	22·4	8·1	1,583[7]	..
	A	64·7	2	21·1	20·4	8·3	1,201	..
	M	81·8	1	22·8	22·4	8·7	1,259	..
	J	72·0	1	18·4	20·4	7·3	1,380[7]	..
	J	79·8	1	20·5	22·5	8·2	1,044	..
	A	76·9	1	19·3	21·5	7·8	909	..
	S	60·3	1	14·6	26·4	8·6	1,101[7]	..
	O	78·8	1	21·1	23·9	6·5	868	..
	N						892[8]	..
	D							

---

[1] Monthly averages or standardised calendar months.

[2] From January 1981, certain models previously recorded under assembly were re-categorised under production. These are almost exclusively built for the home market. Further details are in Business Monitor PM 381.

[3] The totals are for 'usable steel' in accordance with the system used by the EC and the International Iron and Steel Institute.

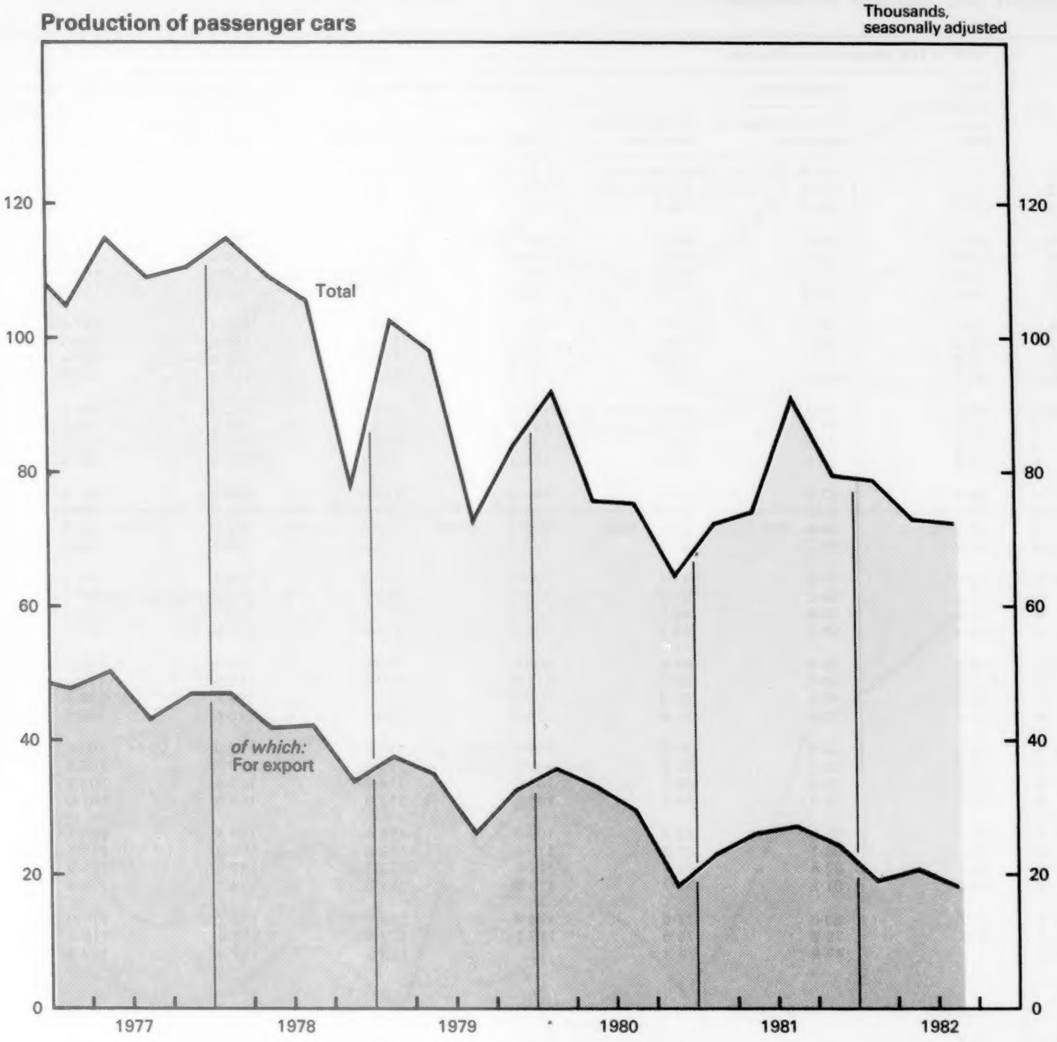
[4] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.

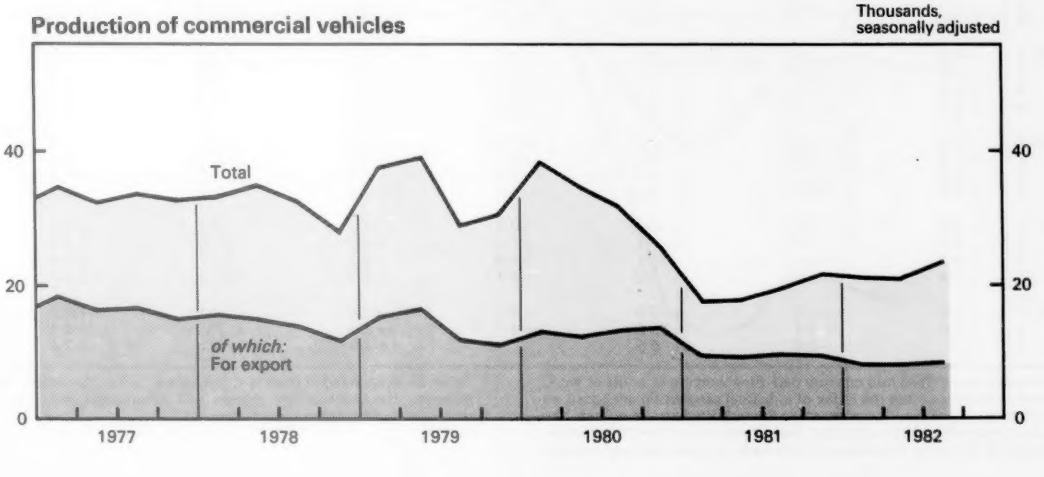
[5] 53-week period; reduced to 52-week basis for comparison purposes.

[6] 14-week period; reduced to 13-week basis for comparison purposes.

[7] Five-week periods.

[8] Provisional.


Production of passenger cars
Thousands, seasonally adjusted
Total
of which:
For export
0
20
40
60
80
100
120
1977
1978
1979
1980
1981
1982


Production of commercial vehicles
Thousands, seasonally adjusted
Total
of which:
For export
0
20
40
1977
1978
1979
1980
1981
1982

34

Output per person employed[3]

1975 = 100, seasonally adjusted

		Total employed labour force	Employment:		Output per person employed[1]			Output per person hour in manufacturing industries[2]
			Index of production industries	Manufacturing industries	Whole economy	Index of production industries[2]	Manufacturing industries[2]	
1971		97·5	105·4	107·4	97·4†	94·6	90·6	89·0
1972		97·9	103·0	103·9	100·0	98·7	95·9	94·5
1973		100·0	104·4	104·4	103·7	105·1	104·2	101·2
1974		100·4	104·1	104·7	101·5	101·5	102·7	101·9
1975		100·0	100·0	100·0	100·0	100·0	100·0	100·0
1976		99·3	97·3	96·9	102·6	105·4	105·3	105·1
1977		99·4	96·9	97·2	105·2	110·2	107·0	105·9
1978		99·9	96·8	96·7	108·2	114·3	108·1	107·2
1979		100·3	96·3	95·3	110·0	117·6	109·8	108·9
1980		98·3	91·7	89·8	109·0	115·2	105·9	107·4
1981		93·6	83·4	80·8	111·7	120·1	110·3	113·0
1976	*1*	99·4	97·7	97·0	101·3	103·3	103·3	103·6
	2	99·3	97·2	96·7	102·1	104·8	105·2	105·2
	3	99·2	97·0	96·7	102·4	104·7	105·0	104·7
	4	99·3	97·1	97·0	104·5	108·7	107·8	106·9
1977	*1*	99·4	97·0	97·1	105·2	110·5	109·0	107·6
	2	99·4	97·0	97·3	104·6	109·9	106·5	105·6
	3	99·4	96·8	97·2	105·3	109·8	106·0	105·0
	4	99·5	96·7	97·1	105·7	110·6	106·3	105·3
1978	*1*	99·7	97·0	97·1	106·6	111·6	106·8	105·7
	2	99·8	96·8	96·8	108·4	115·1	108·6	107·7
	3	99·9	96·6	96·5	109·0	115·7	109·1	108·3
	4	100·3	96·7	96·3	108·6	114·8	107·9	107·1
1979	*1*	100·3	96·6	95·9	108·0	114·6	107·2	106·2
	2	100·4	96·5	95·7	111·8	120·0	112·5	111·5
	3	100·4	96·3	95·3	109·8	117·7	108·8	108·4
	4	100·2	95·6	94·4	110·4	118·1	110·5	109·5
1980	*1*	99·8	94·5	93·2	109·9	117·1	108·0	107·6
	2	99·0	93·1	91·4	109·1	115·4	106·7	107·5
	3	97·9	90·8	88·7	108·5	114·3	105·4	107·5
	4	96·5	88·3	85·7	108·5	113·8	103·5	107·0
1981	*1*	95·1	86·0	83·3	109·6	115·6	105·4	109·4
	2	93·9	84·1	81·3	110·6	118·0	108·6	111·7
	3	93·1	82·4	79·7	112·6	122·2	112·9	114·9
	4	92·3	81·2	78·7	113·8	124·5	114·1	115·9
1982	*1*	91·7	80·0	77·6	114·1	126·0	115·2	116·9
	2	91·1	79·0	76·5	115·1	127·9	116·4	118·6
	3	..	77·9	75·3	..	129·5	117·8	119·9
		Percentage change quarter on corresponding quarter of previous year						
1978	*1*	*+0·3*	—	—	*+1·3*	*+1·0*	*−2·0*	*−1·8*
	2	*+0·4*	*−0·2*	*− 0·5*	*+3·6*	*+4·7*	*+2·0*	*+2·0*
	3	*+0·5*	*−0·2*	*− 0·7*	*+3·5*	*+5·4*	*+2·9*	*+3·1*
	4	*+0·8*	—	*− 0·8*	*+2·7*	*+3·8*	*+1·5*	*+1·7*
1979	*1*	*+0·6*	*−0·4*	*− 1·2*	*+1·3*	*+2·7*	*+0·4*	*+0·5*
	2	*+0·6*	*−0·3*	*− 1·1*	*+3·1*	*+4·3*	*+3·6*	*+3·5*
	3	*+0·5*	*−0·3*	*− 1·2*	*+0·7*	*+1·7*	*−0·3*	*+0·1*
	4	*−0·1*	*−1·1*	*− 2·0*	*+1·7*	*+2·9*	*+2·4*	*+2·2*
1980	*1*	*−0·5*	*−2·2*	*− 2·8*	*+1·8*	*+2·2*	*+0·7*	*+1·3*
	2	*−1·4*	*−3·5*	*− 4·5*	*−2·4*	*−3·8*	*−5·2*	*−3·6*
	3	*−2·5*	*−5·7*	*− 6·9*	*−1·2*	*−2·9*	*−3·1*	*−0·8*
	4	*−3·7*	*−7·6*	*− 9·2*	*−1·7*	*−3·6*	*−6·3*	*−2·3*
1981	*1*	*−4·7*	*−9·0*	*−10·6*	*−0·3*	*−1·3*	*−2·4*	*+1·7*
	2	*−5·2*	*−9·7*	*−11·1*	*+1·4*	*+2·3*	*+1·8*	*+3·9*
	3	*−4·9*	*−9·3*	*−10·1*	*+3·8*	*+6·9*	*+7·1*	*+6·9*
	4	*−4·4*	*−8·0*	*− 8·2*	*+4·9*	*+9·4*	*+10·2*	*+8·3*
1982	*1*	*−3·6*	*−7·0*	*− 6·8*	*+4·1*	*+9·0*	*+ 9·3*	*+6·9*
	2	*−3·0*	*−6·1*	*− 5·9*	*+4·1*	*+8·4*	*+ 7·2*	*+6·2*
	3	..	*−5·5*	*− 5·5*	..	*+5·9*	*+ 4·3*	*+3·5*

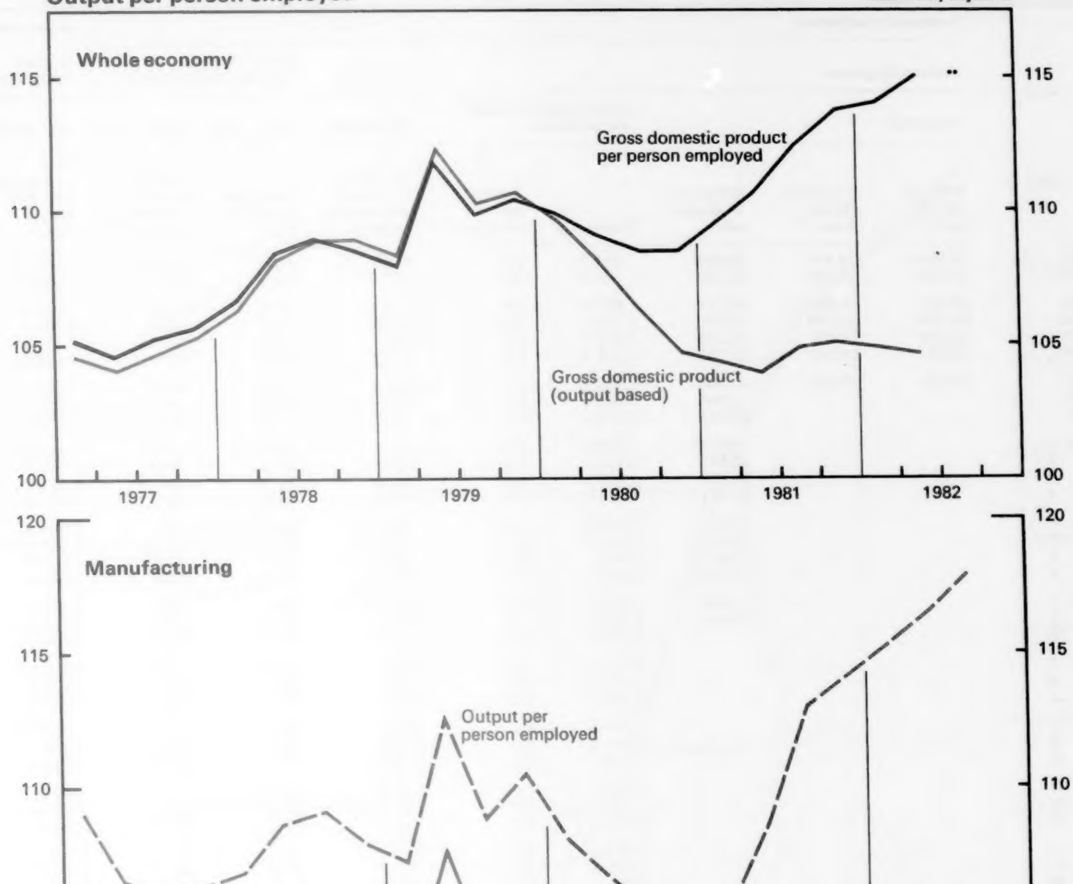
---

[1] The ratios do not take into account part-time working or hours of work.

[2] Some indicators within the index of industrial production are based on sales data, which may overstate or understate the level of output. The index numbers used to calculate output per person employed allow for this by adjusting for changes in the level of stocks in these sectors.

[3] Table 34 is unchanged from that published in the November issue. In February the productivity indices will incorporate revisions to the employment figures from September 1978.

Output per person employed



1975 = 100, seasonally adjusted

National employment and unemployment[1]

		Seasonally adjusted								Unadjusted
		United Kingdom						Great Britain Manufacturing industry		United Kingdom
		Thousands			Unemployed excluding school leavers		Thousands	1975 = 100	1975 = 100	Thousands
		Working population[2], [3]	Employed labour force[2], [3]	Employees in employment[3]	Thousands[4]	Percentage of employees[4], [5]	Vacancies notified to employment offices§[4]	Employees in employment	Average hours worked per operative	Total unemployed including school leavers
1973		25,581 †	24,971	22,663	611·1 †	*2·6*	306·7	104·5	103·9 †	595·6 †
1974		25,638	25,060	22,790	610·8	*2·6*	297·3	104·7	101·1	599·5
1975		25,867	24,984	22,711	922·9	*3·9*	154·4	100·0	100·0	940·9
1976		26,086	24,785	22,540	1,249·1	*5·2*	122·2	96·8	100·3	1,301·7
1977		26,205	24,815	22,608	1,333·1	*5·6*	154·7	97·2	101·3	1,402·7
1978		26,321	24,948 †	22,762 †	1,319·1	*5·5*	210·3	96·8	101·1	1,382·9
1979		26,522	25,256	23,086	1,242·4	*5·1*	241·3	95·8 †	100·9	1,295·7
1980		..	..	22,841	1,560·8	*6·5*	143·0	90·2	98·2	1,664·9
1981		..	..	21,689	2,413·1	*10·2*	97·0	81·4	97·0	2,520·4
1980	*1*	..	..	22,990 †	1,286·8	*5·4* †	193·2	93·6 †	100·5	1,379·3 †
	2	..	..	22,841	1,416·6	*5·9*	158·9	91·9	99·0	1,445·2
	3	..	..	22,538	1,626·5	*6·8*	120·6	89·2	97·3	1,824·4
	4	..	..	22,202	1,913·3	*8·0*	99·2	86·2	95·5	2,010·8
1981	*1*	..	..	21,941	2,166·0	*9·2*	98·2	83·9	95·1	2,305·7
	2	..	..	21,689	2,362·2	*10·0*	89·4	81·9	96·5	2,391·8
	3	..	..	21,541	2,515·1	*10·7*	96·4	80·3	98·0	2,615·6
	4	..	..	21,335	2,609·1	*11·1*	104·1	79·3	98·3	2,768·4
1982	*1*	..	..	21,232	2,679·4	*11·5*	111·7	78·2	98·4	2,862·4
	2	..	..	21,044	2,742·5	*11·8*	107·2	77·1	97·9	2,796·2
	3				2,837·5	*12·2*		75·9	98·1	2,939·2
1980	*A*	..	..	..	1,367·5	*5·7* †	169·2	92·5 †	99·2	1,418·1 †
	M	..	..	..	1,413·5	*5·9*	160·7	91·9	99·1	1,404·4
	J	..	..	..	1,468·8	*6·1*	146·9	91·2	98·8	1,513·0
	J	..	..	..	1,535·2	*6·4*	128·9	90·1	97·8	1,736·5
	A	..	..	..	1,631·3	*6·8*	120·7	89·1	97·4	1,846·1
	S	..	..	..	1,713·1	*7·1*	112·2	88·2	96·8	1,890·6
	O	..	..	..	1,806·7	*7·5*	101·7	87·2	95·8	1,916·4
	N	..	..	..	1,918·9	*8·0*	96·7	86·1	95·5	2,016·0
	D	..	..	..	2,014·4	*8·4*	99·1	86·3	95·3	2,099·9
1981	*J*	..	..	..	2,094·0	*8·9*	101·1	84·6	95·2	2,271·1
	F	..	..	..	2,166·0	*9·2*	97·7	83·9	94·9	2,312·4
	M	..	..	..	2,238·1	*9·5*	95·9	81·2	95·3	2,333·5
	A	..	..	..	2,301·1	*9·8*	93·4	82·6	96·1	2,372·7
	M	..	..	..	2,368·0	*10·0*	90·1	81·9	96·4	2,407·4
	J	..	..	..	2,417·4	*10·2*	84·7	81·2	97·0	2,395·2
	J	..	..	..	2,476·5	*10·5*	92·9	80·6	97·3	2,511·8
	A	..	..	..	2,514·2	*10·7*	98·5	80·3	98·3	2,586·3
	S	..	..	..	2,554·6	*10·8*	97·8	80·0	98·4	2,748·6
	O	..	..	..	2,582·8	*10·9*	100·6	79·7	98·7	2,771·6
	N	..	..	..	2,615·5	*11·1*	104·3	79·3	98·2	2,769·5
	D	..	..	..	2,629·0	*11·1*	107·5	78·8	98·1	2,764·1
1982	*J*	..	..	..	2,670·5	*11·5*	111·6	78·4	98·3	2,896·3
	F	..	..	..	2,679·8	*11·5*	113·0	78·3	98·4	2,870·2
	M	..	..	..	2,687·9	*11·5*	110·6	78·0	98·4	2,820·8
	A	..	..	..	2,715·1	*11·7*	109·7	77·5	97·6	2,818·5
	M	..	..	..	2,739·8	*11·8*	106·6	77·1	98·1	2,800·5
	J	..	..	..	2,772·7	*11·9*	105·2	76·5	98·1	2,769·6
	J	..	..	..	2,813·8	*12·1*	111·4	76·3	98·0	2,852·5
	A	..	..	..	2,832·4	*12·2*	114·0	75·8	98·4	2,898·8
	S	..	..	..	2,866·4	*12·3*	107·3	75·6	97·8	3,066·2
	O	..	..	..	2,885·4	*12·4*	113·9	75·3	98·3	3,049·0
	N	..	..	..	2,902·7[13]	*12·5*	114·4			3,063·0

---

[1] Unemployment figures (new basis–claimants) do not include students registered for temporary employment during a current vacation.

[2] The working population consists of the employed labour force and the unemployed (including school-leavers); the employed labour force includes employers, self-employed and HM Forces as well as employees in employment.

[3] Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December respectively.

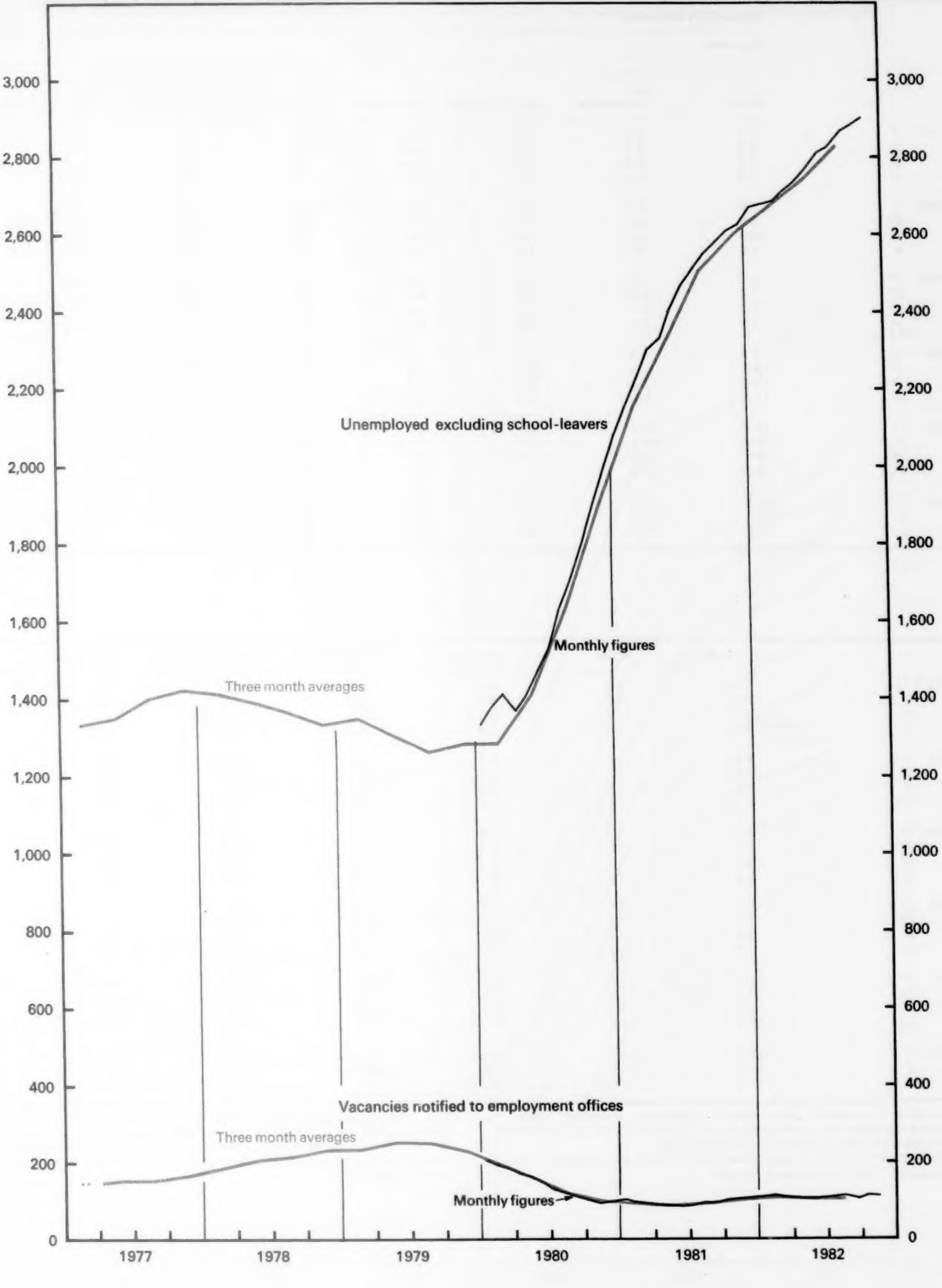
[4] The seasonally adjusted series have been revised as described in the December 1982 *Employment Gazette.*

[5] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed).

[6] The recorded unemployment figures for July to October 1981 are overstated by about 20,000 (net) as a result of industrial action at benefit offices. The seasonally adjusted total for the UK has been reduced to allow for this. No adjustment has been made to other unemployment figures.

Unemployment and vacancies

Thousands, seasonally adjusted



38

Regional unemployment rates[1]

Seasonally adjusted

Per cent

		North	Yorkshire and Humberside	East Midlands	East Anglia	South East	South West	West Midalnds
1977	*1*	7·1	5·0	4·4	4·7	4·1	6·1	5·1
	2	7·2	5·1	4·5	4·8	4·1	6·2	5·1
	3	7·6	5·4	4·6	5·0	4·2	6·4	5·2
	4	7·9	5·4	4·7	5·0	4·2	6·5	5·2
1978	*1*	8·0	5·4	4·6	4·8	4·0	6·2	5·0
	2	8·0	5·4	4·6	4·7	3·9	6·1	5·0
	3	8·0	5·5	4·5	4·6	3·8	5·9	5·0
	4	8·0	5·3	4·4	4·5	3·6	5·6	4·9
1979	*1*[2]	8·0	5·4	4·4	4·5	3·6	5·5	4·9
	2[2]	7·8	5·2	4·2	4·2	3·4	5·3	4·9
	3[2]	7·8	5·1	4·1	4·1	3·2	5·2	4·9
	4[2]	7·9	5·1	4·2	4·0	3·2	5·0	5·0
1980	*1*[2]	8·4	5·5	4·5	4·2	3·4	5·1	5·3
	2[2]	9·2	6·2	5·1	4·6	3·7	5·5	6·0
	3[2]	10·0	7·6	6·1	5·5	4·3	6·3	7·2
	4[2]	11·3	8·5	7·3	6·5	5·2	7·3	9·0
1981	*1*[2]	12·9	10·0	8·5	7·6	6·2	8·3	10·9
	2[2]	13·7	10·9	9·3	8·3	6·9	9·0	12·1
	3[2,3]	14·4	11·5	9·7	8·7	7·5	9·5	12·9
	4[2,3]	14·8	12·0	10·1	9·1	7·9	9·9	13·5
1982	*1*	15·0	12·4	10·4	9·6	8·3	10·1	14·1
	2	15·4	12·6	10·6	9·8	8·6	10·3	14·4
	3	16·0	13·0	10·9	10·1	8·8	10·6	14·8

		North West	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1977	*1*	6·4	6·8	6·9	5·3	9·3	5·4
	2	6·5	6·9	7·1	5·4	9·5	5·5
	3	6·7	7·2	7·4	5·6	9·8	5·7
	4	6·8	7·5	7·5	5·6	9·9	5·7
1978	*1*	6·6	7·3	7·5	5·5	10·0	5·6
	2	6·6	7·3	7·3	5·4	10·2	5·5
	3	6·6	7·3	7·2	5·4	10·3	5·5
	4	6·4	7·1	7·1	5·2	9·9	5·3
1979	*1*[2]	6·4	7·3	7·2	5·2	10·0	5·3
	2[2]	6·3	7·0	7·1	5·0	9·9	5·2
	3[2]	6·1	6·7	7·1	4·9	10·0	5·0
	4[2]	6·2	6·7	7·1	4·9	10·0	5·1
1980	*1*[2]	6·7	7·3	7·6	5·2	10·3	5·4
	2[2]	7·4	8·1	8·2	5·8	11·0	5·9
	3[2]	8·3	9·3	8·9	6·6	12·3	6·8
	4[2]	9·7	10·8	10·0	7·8	14·0	8·0
1981	*1*[2]	11·1	12·2	11·1	9·0	15·4	9·2
	2[2]	12·0	13·0	12·0	9·9	16·1	10·0
	3[2,3]	12·9	13·7	12·7	10·5	16·5	10·7
	4[2,3]	13·3	14·1	13·0	10·9	16·8	11·1
1982	*1*	13·8	14·8	13·4	11·4	17·4	11·5
	2	14·2	15·0	13·6	11·6	18·1	11·8
	3	14·6	15·3	14·0	12·0	18·6	12·2

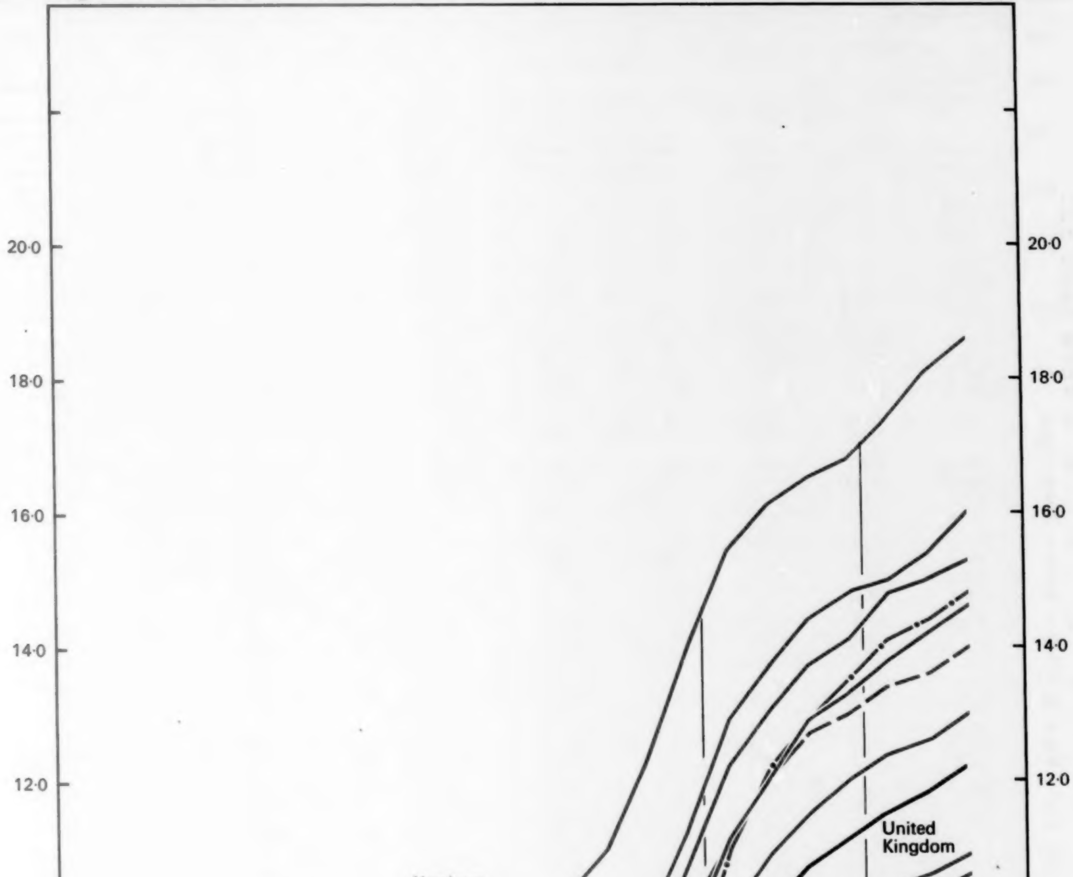
[1] **Numbers unemployed (new basis – claimants) excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed).**

[2] **The seasonally adjusted series have been revised as described in the December 1982 *Employment Gazette***

[3] **The recorded unemployment figures for July to October 1981 are overstated by about 20,000 (net) as a result of industrial action at benefit offices. The seasonally adjusted totals for GB and UK have been reduced to allow for this. No adjustment has been made to other unemployment figures.**

Regional unemployment rates

Percentage rates, seasonally adjusted



40

Wage rates and earnings

		Unadjusted		Seasonally adjusted[1]							
		31 July 1972 = 100[2]		January 1976 = 100						1975 = 100	
		Basic weekly wage rates (manual workers)		Average earnings (GB)						Wages and salaries per unit of output[3]	
		All industries and services	Manufacturing industry	Whole economy	Percentage increase on year earlier	Index of production industries	Percentage increase on year earlier	Manufacturing industry	Percentage increase on year earlier	Whole economy	Manufacturing industry
1971		89·0	89·3	. .	. .	. .	. .	. .	. .	54·6†	58·6
1972		101·3	101·5	. .	. .	. .	. .	. .	. .	59·3	62·4
1973		115·2	114·6	. .	. .	. .	. .	. .	. .	63·2	64·9
1974		138·0	134·3	. .	. .	. .	. .	. .	. .	76·8	77·2
1975		178·7	174·4	. .	. .	. .	. .	. .	. .	100·0	100·0
1976		213·2	209·0	106·1	. .	106·3	. .	106·2	. .	109·8	110·6
1977		227·3	218·9	115·6	9·0	117·2	10·3	117·1	10·2	116·9	120·1
1978		259·3	258·8	130·6	13·0	134·3	14·6	134·0	14·5	129·3	136·0
1979		298·1	297·5	150·8	15·5	154·9	15·3	154·8	15·5	149·1	155·1 †
1980		351·8	348·5	182·1	20·7	183·9	18·8	182·5	17·9	180·1	190·1
1981		387·5	381·3	205·6	12·9	208·5	13·4	206·6	13·2	197·6	207·1
1979	3	299·9	296·4	153·9	15·7	155·9	14·0	155·0	13·8	151·8	156·8†
	4	315·3	318·0	161·8	18·5	166·4	18·0	166·2	18·1	159·4	165·6
1980	1	334·9	336·5	168·8	19·7	172·4	18·8	170·6	17·3	166·4	173·6
	2	348·3	345·3	178·0	21·4	180·8	18·8	179·9	17·8	175·5	185·4
	3	357·4	349·9	188·1	22·2	189·4	21·5	188·3	21·4	188·4	197·3
	4	366·6	362·3	193·3	19·5	193·2	16·1	191·3	15·1	190·9	204·0
1981	1	377·0	372·5	196·7	16·5	200·0	16·0	196·9	15·4	192·9	206·0
	2	385·5	379·3	201·2	13·0	203·0	12·3	200·5	11·5	196·0	203·8
	3	391·1	383·0	209·6	11·4	213·0	12·4	212·0	12·6	200·0	208·1
	4	396·4	390·3	214·8	11·1	218·2	13·0	216·9	13·4	201·5	210·3
1982	1	404·4	397·6	218·5	11·1	225·2	12·6	222·2	12·9	204·6	213·3
	2	411·6	401·6	221·5	10·1	228·4	12·5	226·5	13·0	206·9	215·5
	3	415·0	403·7	227·5	8·5	234·1	9·9	232·4	9·7		219·3
1980	F	335·0	336·6	169·0	18·6	171·8	18·4	170·0	16·8	. .	173·4
	M	336·9	337·4	172·8	20·3	176·4	18·3	174·1	16·2	. .	179·9
	A	342·2	340·6	175·1	21·3	178·0	19·3	176·4	18·2	. .	181·1
	M	347·3	346·7	176·7	21·3	179·4	18·7	178·7	17·6	. .	184·7
	J	355·5	348·6	182·1	21·7	184·8	18·4	184·5	17·7	. .	190·4
	J	356·8	349·1	183·1	18·9	187·8	19·8	186·9	18·9	. .	193·7
	A	367·3	350·0	187·3	21·7	189·6	21·6	188·5	22·3	. .	198·1
	S	358·1	350·7	194·0	26·1	190·8	23·1	189·4	23·1	. .	200·0
	O	359·5	351·0	190·7	20·1	191·3	16·9	189·9	16·2	. .	203·4
	N	368·9	367·8	192·6	18·9	193·0	16·1	191·4	15·3	. .	204·2
	D	371·4	367·9	196·6	19·5	195·3	15·4	192·6	13·9	. .	204·3
1981	J	376·1	372·2	195·3	18·6	197·8	17·0	194·5	16·0	. .	205·7
	F	377·0	372·6	196·9	16·5	200·5	16·7	197·6	16·2	. .	206·0
	M	378·0	372·8	197·9	14·5	201·7	14·3	198·7	14·1	. .	206·4
	A	383·8	376·7	199·5	13·9	200·2	12·5	197·5	12·0	. .	202·4
	M	385·4	379·1	200·0	13·2	201·3	12·2	198·9	11·3	. .	204·2
	J	387·2	382·0	203·9	12·0	207·5	12·3	205·2	11·2	. .	204·9
	J	390·7	382·3	205·3	12·1	209·7	11·6	208·4	11·5	. .	205·7
	A	391·2	383·1	211·4	12·8	214·6	13·2	213·8	13·5	. .	210·9
	S	391·4	383·5	212·1	9·3	214·6	12·4	213·7	12·8	. .	207·7
	O	391·7	383·5	213·4	11·9	217·5	13·7	217·4	14·5	. .	209·3
	N	398·7	393·7	214·4	11·3	217·9	12·9	216·8	13·3	. .	210·1
	D	398·8	393·7	216·5	10·1	219·3	12·3	216·6	12·5	. .	211·5
1982	J	403·6	397·2	216·4	10·8	222·7	12·6	220·2	13·2	. .	214·0
	F	404·5	397·8	219·4	11·4	226·5	13·0	222·1	12·4	. .	212·3
	M	405·2	397·9	219·7	11·0	226·2	12·0	224·4	13·0	. .	213·5
	A	409·4†	400·0	219·8	10·2	226·4	13·1	224·7	13·7	. .	214·3
	M	411·1	401·8	220·8	10·4	227·9	13·2	225·9	13·6	. .	213·5
	J	414·3	403·1†	224·0	9·8	231·0	11·3	229·0	11·6	. .	218·7
	J	414·7	403·2	227·8	11·0	232·5	10·9	230·7	10·7	. .	219·0
	A	414·9	403·7	228·0	7·8	235·5	9·7	233·9	9·3	. .	220·4
	S	415·3	404·1	226·7	6·8	234·5	9·3	232·9	9·0	. .	218·4
	O	415·3	404·1	229·0[4]	7·3[4]	236·1[4]	8·6[4]	236·4[4]	8·8[4]	. .	222·7
	N	415·3	404·1								

Note: Calculation of indices of basic weekly wage rates will cease after December 1983.

---

[1] The seasonal adjustment factors currently used are based on data up to December 1980.

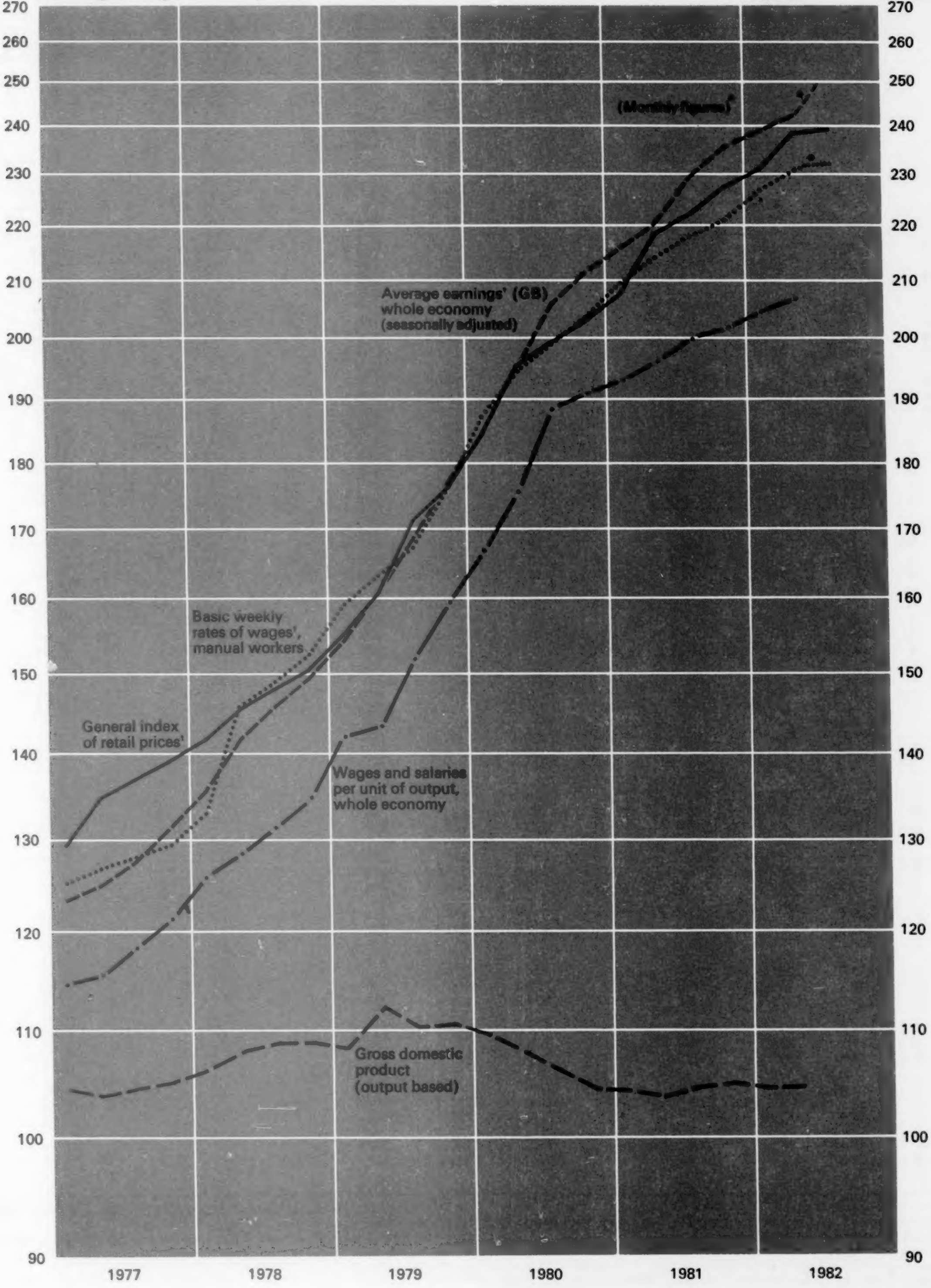
[2] Before July 1972 the series was based on 31 January 1956 = 100. Figures before July 1972 have therefore been linked.

[3] This index, based on the monthly indices of average earnings, employment and output adjusted for movements in stocks, now relates to individual months, whereas in the past it has related to a centred 3 month average and has not been stock adjusted.

[4] Provisional.

Earnings, wages, retail prices and output

Average 1975=100, log scale



[1] Quarterly average of monthly figures

42

Prices

		Unadjusted										
		Average 1975 = 100										**Average 1975 = 100p**
		Wholesale prices index		General index of retail prices						Pensioner price index[1]		
			Output	All items				All items other than seasonal food				
		Materials and fuel purchased by manufacturing industry[2]	All manufactured products Home sales[3]	Index	*Percentage increase on year earlier*	Total food	Total non-food	Index	*Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[4]
1971		42·5	59·0	59·3	*9·4*	53·9	61·4	60·0	*9·5*	58·0	58·0	169
1972		44·4	62·1	63·6	*7·1*	58·6	65·3	64·1	*6·9*	62·4	62·3	157
1973		58·8	66·7	69·4	*9·2*	67·5	70·1	69·4	*8·3*	68·4	68·7	144
1974		86·8	81·8	80·5	*16·1*	79·6	80·8	80·5	*16·0*	79·5	79·8	124
1975		100·0	100·0	100·0	*24·2*	100·0	100·0	100·0	*24·2*	100·0	100·0	100
1976		127·0	117·3	116·5	*16·5*	120·0	115·6	115·8	*15·8*	119·1	118·8	86
1977		145·6	140·5	135·0	*15·8*	142·8	132·8	134·3	*16·0*	139·1	138·7	74
1978		144·6	153·3	146·2	*8·3*	152·9	144·3	146·5	*9·0*	150·4	149·8	68
1979		167·6	172·0	165·8	*13·4*	171·3	164·3	165·9	*13·3*	168·0	167·6	60
1980		200·9	200·0	195·6	*18·0*	191·9	196·5	196·3	*18·4*	195·7	194·6	51
1981		228·2	221·3	218·9	*11·9*	208·2	221·6	219·8	*11·9*			46
1979	*1*	153·4	161·6	155·0	*9·6*	164·2	152·4	154·7	*9·3*	159·2	158·5	65
	2	163·3	168·0	160·7	*10·6*	169·9	158·3	160·2	*10·4*	163·4	162·9	62
	3	169·9	176·4	171·4	*16·0*	173·9	170·6	171·9	*16·0*	171·8	171·7	58
	4	183·9	181·8	176·2	*17·3*	178·0	175·7	176·7	*17·2*	177·6	177·2	57
1980	*1*	197·2	191·4	184·6	*19·1*	185·7	184·1	184·8	*19·5*	185·7	184·9	54
	2	201·3	199·0	195·3	*21·5*	192·0	196·1	195·8	*22·3*	194·1	193·5	51
	3	201·9	203·6	199·4	*16·4*	194·5	200·7	200·4	*16·5*	199·2	197·9	50
	4	203·3	206·1	203·2	*15·3*	195·5	205·1	204·3	*15·6*	203·7	201·9	49
1981	*1*	213·8	212·3	208·0	*12·7*	201·6	209·5	209·0	*13·1*	209·8	208·2	48
	2	225·8	219·4	218·1	*11·7*	207·8	220·8	218·9	*11·8*	216·4	215·7	46
	3	235·9	224·1	221·9	*11·2*	209·2	225·2	223·0	*11·3*	220·1	219·6	45
	4	237·3	229·2	227·4	*11·9*	214·2	230·8	228·2	*11·7*	225·6	225·1	44
1982	*1*	238·2	234·3	231·1	*11·1*	223·3	233·1	231·2	*10·7*	232·7	231·6	43
	2	240·0	238·2	238·5	*9·4*	228·1	241·3	238·2	*8·9*	238·8	237·3	42
	3	244·9[6]	242·0[6]	239·5	*8·0*	222·8	244·0	240·9	*8·0*	239·3	237·6	42
1981	*J*	209·7	209·9	205·7	*13·0*	200·1	207·2	206·7	*13·4*	..	..	49
	F	214·0	211·9	207·6	*12·5*	201·7	209·0	208·6	*12·8*	..	..	48
	M	217·8	215·1	210·7[5]	*12·6*	203·0[5]	212·4[5]	211·6[5]	*12·9*	..	..	47
	A	221·3	218·0	216·8	*12·0*	205·7	219·7	217·7	*12·3*	..	..	46
	M	226·1	219·2	218·2	*11·7*	207·6	220·9	218·9	*11·7*	..	..	46
	J	229·9	221·1	219·4	*11·3*	210·1	221·9	220·1	*11·3*	..	..	46
	J	233·0	222·2	220·4	*10·9*	209·8	223·2	221·2	*11·0*	..	..	45
	A	236·8	224·1	222·0	*11·5*	208·0	225·6	223·4	*11·5*	..	..	45
	S	237·9	225·9	223·3	*11·4*	209·8	226·8	224·5	*11·4*	..	..	45
	O	238·2	227·8	225·3	*11·7*	212·1	228·8	226·3	*11·5*	..	..	44
	N	236·9	229·4	227·7	*12·0*	214·2	231·3	228·6	*11·8*	..	..	44
	D	236·8	230·4	229·1	*12·0*	216·4	232·4	229·8	*11·8*	..	..	44
1982	*J*	238·9	232·9	230·4	*12·0*	222·1	232·5	230·6	*11·5*	..	..	43
	F	240·1	234·4	230·5	*11·0*	223·0	232·4	230·6	*10·6*	..	..	43
	M	235·7	235·5	232·5	*10·4*	224·9	234·4	232·5	*9·9*	..	..	43
	A	239·2	237·0	237·2	*9·4*	227·0	239·8	237·0	*8·9*	..	..	42
	M	237·7	238·3	238·9	*9·5*	229·3	241·4	238·3	*8·9*	..	..	42
	J	243·2	239·2	239·5	*9·2*	228·1	242·6	239·4	*8·8*	..	..	42
	J	245·0	241·0	239·6	*8·7*	224·7	243·5	240·3	*8·6*	..	..	42
	A	244·1	241·7	239·7	*8·0*	221·7	244·4	241·2	*8·0*	..	..	42
	S	245·6	243·2	239·5	*7·3*	222·0	244·1	241·2	*7·5*	..	..	42
	O	246·4[6]	245·1[6]	240·7	*6·8*	222·4	245·5	242·5	*7·2*	..	..	41
	N	251·6[6]	246·4[6]	241·9	*6·3*	224·2	246·6	243·7	*6·6*	..	..	41
	D											

---

[1] All items except housing.

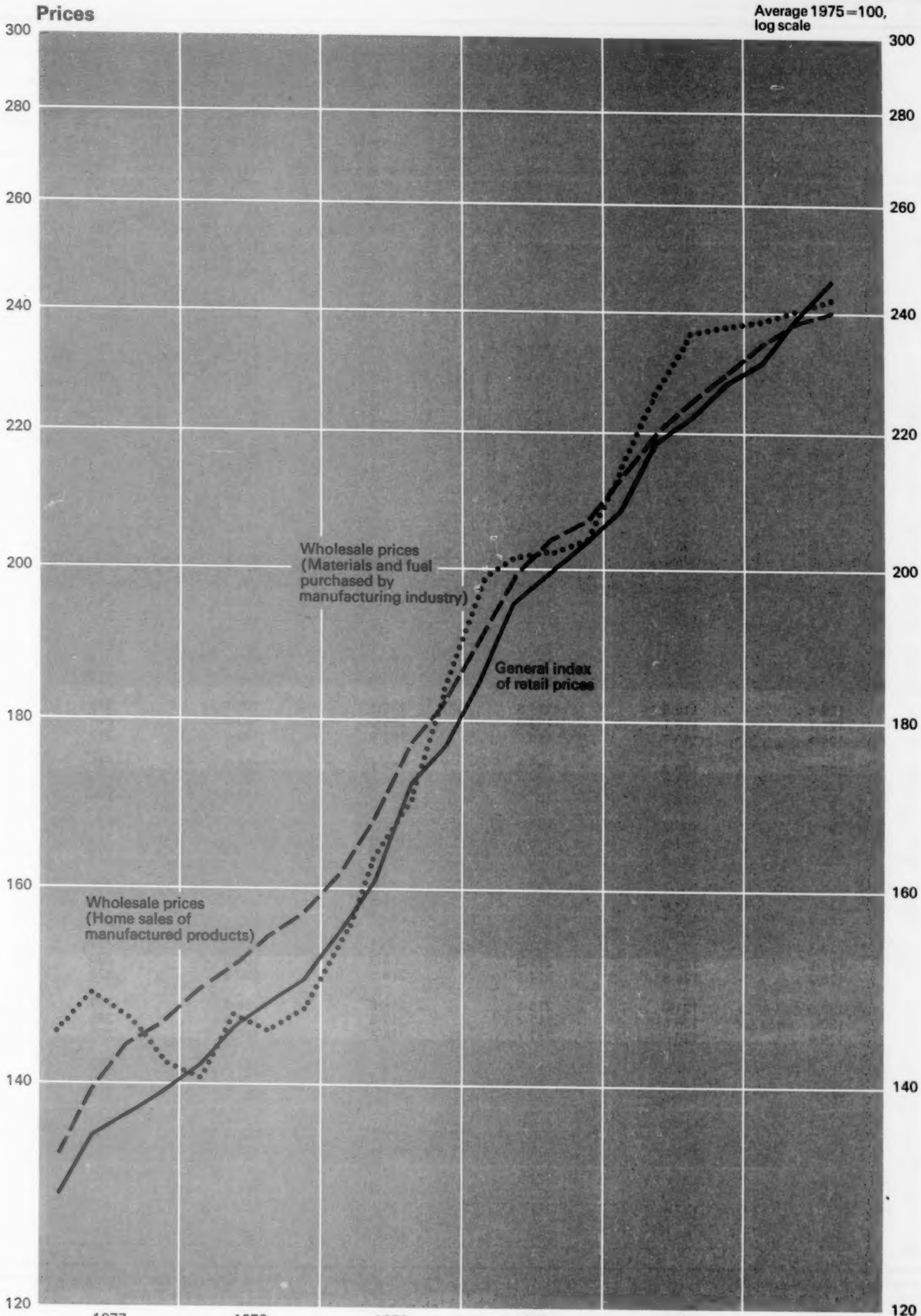
[2] Revised method of calculation to include levies on certain imported foods from 3rd quarter 1971.

[3] Reductions in the VAT-exclusive prices of alcoholic liquor, tobacco and cigarettes, matches and mechanical lighters took place in April 1973. These reductions resulted from lower revenue duties designed to offset additional tax revenue from VAT. With unchanged prices in April for these products index numbers from 2nd quarter 1973 onwards would have been higher by 1·7.

[4] Movements in the purchasing power of the pound are based on movements in the general index of retail prices.

[5] Estimated.

[6] Provisional.


Prices
Average 1975=100, log scale
300
280
260
240
220
200
180
160
140
120
1977
1978
1979
1980
1981
1982
Wholesale prices (Materials and fuel purchased by manufacturing industry)
General index of retail prices
Wholesale prices (Home sales of manufactured products)

Visible trade

	Seasonally adjusted		Unadjusted			
	1975 = 100		1975 = 100			1975 = 100
	Volume indices[1]		Unit value indices[1]			World commodity prices index[3]
	Exports	Imports	Exports	Imports	Terms of trade[2]	
1971	85·9	85·5	53·7	44·8	119·8	33
1972	85·6	95·2	56·8	46·9	121·1	36
1973	97·2	108·4	64·0	60·0	106·8	54
1974	104·2	109·5	81·6	87·7	93·1	99
1975	100·0	100·0	100·0	100·0	100·0	100
1976	109·9	105·8	119·6	122·2	97·9	130
1977	118·4	107·7	141·5	141·3	100·2	149
1978	121·5	112·8	155·5	146·8	105·9	138
1979	125·7	125·6	171·7	161·6	106·3	162
1980	128·0	119·1	192·8	185·8	103·7	214
1981	126·8	119·1	207·9	204·1	101·9	255
1980 *1*	131·8	123·5	187·2	185·3	101·0	211
2	128·6	125·7	191·6	185·4	103·3	216
3	125·0	115·8	195·5	185·4	105·4	214
4	126·4	111·4	196·8	187·1	105·2	215
1981 *1*	121·8	104·4	199·3	189·8	105·0	228
2	125·7	114·2	204·2	199·1	102·5	249
3	128·0	132·1	211·2	209·9	100·6	276
4	131·8	125·7	217·1	217·7	99·7	269
1982 *1*	125·0†	122·5	220·3†	216·9†	101·5†	268
2	130·4	129·1	220·8	217·2	101·7	272
3	124·3	125·1†	223·5	221·6	100·9	276[5]
1980 *J*	136·5	125·1	185·1	182·7	101·3	206
F	132·3	125·4	187·4	185·5	101·0	210
M	126·6	120·0	189·1	187·7	100·8	218
A	127·8	130·2	190·7	185·7	102·7	218
M	130·4	122·6	190·9	185·5	103·0	214
J	127·6	124·2	193·2	185·1	104·4	213
J	129·6	118·6	194·8	185·3	105·1	213
A	121·1	118·1	196·0	185·0	106·0	214
S	124·1	110·7	195·7	186·0	105·2	212
O	126·2	109·2	197·2	187·7	105·0	211
N	126·5	112·9	195·7	185·5	105·5	216
D	126·5	112·2	197·5	188·2	104·9	218
1981 *J*	124·0	102·6	198·7	187·0	106·3	220
F	119·1	107·8	198·6	189·0	105·1	227
M	122·2	102·9	200·7	193·5	103·7	234
A	127·2	104·7	203·1	196·5	103·4	240
M	126·6	119·4	203·9	198·6	102·6	248
J	123·3	118·4	205·6	202·2	101·7	260
J	128·6	126·9	207·9	206·2	100·8	272
A	127·1	142·5	211·3	209·3	101·0	280
S	128·2	126·9	214·3	214·3	100·0	277
O	135·5	121·0	216·1	218·8	98·8	277
N	130·1	135·5	217·4	217·4	100·0	265
D	129·9	120·6	217·7	216·8	100·5	265
1982 *J*	118·9†	122·9	219·7†	215·9	101·7†	266
F	124·0	120·2	220·3	217·8	101·2	269
M	132·2	124·5	220·9	217·1	101·7	270
A	133·4	128·5	219·9	216·1	101·8	273
M	131·7	134·0	220·7	217·8†	101·4	268
J	126·1	124·8	221·9	217·8	101·9	272
J	125·4	123·6†	222·3	219·7	101·2	276
A	117·2	123·9	224·1	220·9	101·5	276[4]
S	130·2	127·8	224·2	224·1	100·0	275[5]
O	127·4	124·9	225·1	228·0	98·7	276[5]
N						286[5]

---

[1] On a balance of payments basis.

[2] Unit value index for exports expressed as a percentage of unit value index for imports.

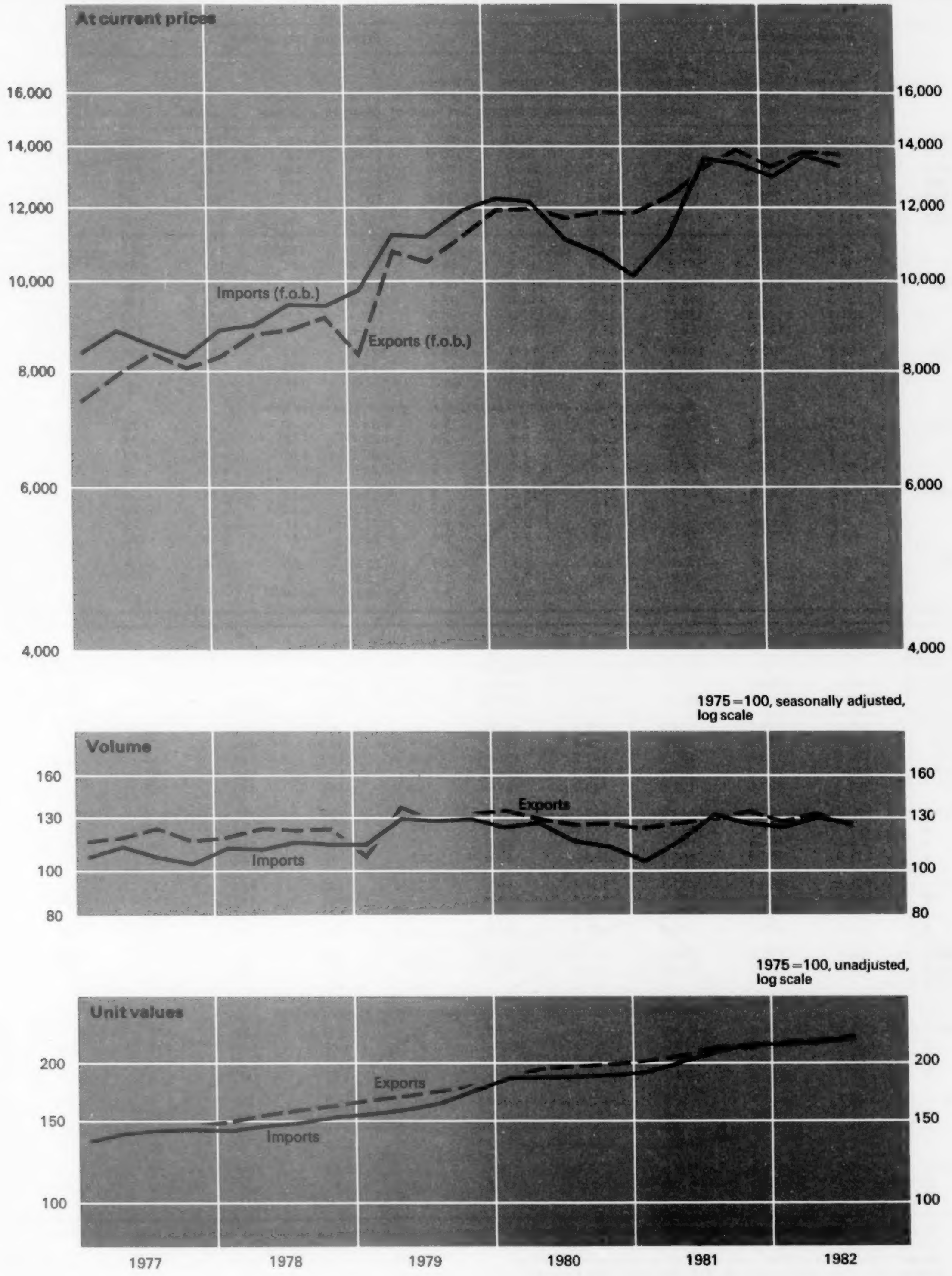
[3] Weighted average, in sterling terms, of United Nations Index numbers for primary commodities and non-ferrous metals.

[4] Provisional.

[5] Projection by the Department of Industry.

Visible trade

£ million, seasonally adjusted, log scale



Measures of UK competitiveness in trade in manufactures

1975 = 100

		Summary measures[1]						Export unit value index[2]				
		Relative export prices[3]	Relative wholesale prices[3]	IMF index of relative unit labour costs[2]		Import price competitiveness[4]	Relative profitability of exports[4]	United Kingdom	United States	Japan	France	Federal Republic of Germany
				Actual	Normalised							
1977		101·9	100·0	90·2	90·3	97·6	102·7	111·7	112	108	105	110
1978		108·6	103·5	96·1	96·2	99·6	102·9	136·2	121	131	121	131
1979		115·7	114·8	111·9	111·5	104·6	99·8	164·1	140	141	141	147
1980		129·4	131·5	139·9	136·6	109·1	97·2	200·6	153	150	157	156
1981		127·4†	133·7	141·8	145·2	112·6	97·8	187·4	172	159	136	133
1980	*1*	124·1	125·6	129·5	123 8	103·2	97·6	188·4	146	142	154	157
	2	127·0	129·6	135·7	131·9	110·2	97·3	195·5	149	150	156	155
	3	131·6	133·0	142·5	140·3	111·2	97·3	208·2	155	152	163	160
	4	134·8	137·7	151·9	150·3	112·2	96·6	210·2	161	159	155	152
1981	*1*	136·3	141·4	155·0	155·9	114·9	96·4	205·9	165	165	144	140
	2	131·0	138·0	145·3	148·1	114·1	97·1	189·8	169	159	134	130
	3	121·4	128·0	135·0	139·2	112·0	98·3	172·7	174	154	132	124
	4	120·9	127·5	132·1	137·5	109·3	99·2	181·5	179	161	136	137
1982	*1*	122·1†	130·5	134·1	140·6	111·9	98·7†	181·2	183	158	136	133
	2	119·2	130·2	132·3	140·7	111·3	97·7	175·3	182		135	135
	3					111·5†	98·2	172·9	181			
		Percentage change, quarter on corresponding quarter of previous year.										
1980	*1*	*+11·7*	*+18·7*	*+26·2*	*+21·7*	*+ 2·4*	*− 5·0*	*+24·0*	*+ 9*	—	*+15*	*+10*
	2	*+10·4*	*+14·2*	*+25·6*	*+19·8*	*+ 5·5*	*− 2·6*	*+23·7*	*+ 7*	*+ 7*	*+15*	*+11*
	3	*+ 9·6*	*+ 9·4*	*+20·5*	*+20·3*	*+ 3 0*	*− 1·5*	*+20·1*	*+10*	*+ 5*	*+13*	*+ 8*
	4	*+15·5*	*+16·3*	*+27·6*	*+27·3*	*+ 6·7*	*− 1·3*	*+21·6*	*+11*	*+13*	*+ 4*	*− 2*
1981	*1*	*+ 9·8*	*+12·6*	*+19·7*	*+25·9*	*+11·3*	*− 1·2*	*+ 9·3*	*+13*	*+16*	*− 6*	*−11*
	2	*+ 3·1*	*+ 6·5*	*+ 7·1*	*+12·3*	*+ 3·5*	*− 0·2*	*− 2·9*	*+13*	*+ 6*	*−14*	*−16*
	3	*− 7·8*	*− 3·8*	*− 5·3*	*− 0·8*	*+ 0·7*	*+ 1·0*	*−17·1*	*+12*	*+ 1*	*−19*	*−22*
	4	*−10·3*	*− 7·4*	*−13·0*	*− 8·5*	*− 2·6*	*+ 2·7*	*−13·7*	*+11*	*+ 1*	*−12*	*−10*
1982	*1*	*−10·4*	*− 7·7*	*−13·5*	*− 9·8*	*− 2·6*	*+ 2·4*	*−12·0*	*+11*	*− 4*	*− 6*	*− 5*
	2	*− 9·0*	*− 5·7*	*− 8·9*	*− 5·0*	*− 2·4*	*+ 0·6*	*− 7·6*	*+ 8*		*+ 7*	*+ 4*
	3					*− 0·4*	*+ 0·1*	*+ 0·1*	*+ 4*			

		Wholesale price index[2]					Unit labour costs index[2]				
		United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom[5]	United States	Japan	France[6]	Federal Republic of Germany
1977		110·8	111·1	117·8	100·6	112·8	94	107	115	99	110
1978		132·8	119·4	148·5	119·8	132·0	118	114	144	116	130
1979		164·9	133·8	150·2	141·2	151·4	148	122	135	134	146
1980		210·2	152·8	166·6	165·2	164·1	199	137	131	153	158
1981		202·0	167·0	172·6	145·2	142·4	188	146	140	132	134
1980	*1*	194·7	147·4	149·3	160·1	164·5	175	130	118	146	155
	2	205·2	151·1	162·9	163·6	164·4	190	137	126	152	156
	3	218·8	154·8	173·7	172·0	169·0	210	141	138	160	165
	4	221·9	158·0	180·5	165·0	159·0	217	140	144	155	157
1981	*1*	221·3	163·1	182·9	154·4	149·2	213	142	147	145	140
	2	206·1	167·1	172·1	142·4	140·0	190	144	142	130	133
	3	185·7	168·5	165·0	138·3	133·7	170	147	133	124	125
	4	194·9	169·4	170·6	145·7	146·8	177	153	136	131	137
1982	*1*	195·3	170·6	164·2	141·3	142·8	176	158	133	128	129
	2	191·3	170·5	156·9	138·8	142·3	171	160	133	126	128
	3						168	160			
		Percentage change, quarter on corresponding quarter of previous year.									
1980	*1*	*+32·4*	*+16·0*	*− 3·6*	*+19·6*	*+13·0*	*+30*	*+9*	*−20*	*+11*	*+ 7*
	2	*+30·1*	*+15·0*	*+10·2*	*+21·8*	*+13·1*	*+37*	*+12*	*− 7*	*+17*	*+12*
	3	*+23·1*	*+14·0*	*+13·5*	*+19·2*	*+ 9·7*	*+34*	*+15*	*+ 3*	*+19*	*+13*
	4	*+25·3*	*+12·3*	*+24·5*	*+ 8·3*	*− 0·9*	*+36*	*+12*	*+18*	*+ 9*	*+ 3*
1981	*1*	*+13·7*	*+10·7*	*+22·5*	*− 3·6*	*− 9·3*	*+22*	*+ 9*	*+25*	*− 1*	*−10*
	2	*+ 0·4*	*+10·6*	*+ 5·6*	*−13·0*	*−14·8*	—	*+ 5*	*+13*	*−14*	*−15*
	3	*−15·1*	*+ 8·9*	*− 5·0*	*−19·6*	*−20·9*	*−19*	*+ 4*	*− 4*	*−22*	*−24*
	4	*−12·2*	*+ 7·2*	*− 5·5*	*−11·7*	*− 7·7*	*−18*	*+ 9*	*− 6*	*−15*	*−13*
1982	*1*	*−11·7*	*+ 4·6*	*−10·2*	*− 8·5*	*− 4·3*	*−17*	*+11*	*−10*	*−12*	*− 9*
	2	*− 7·2*	*+ 2·0*	*− 8·8*	*− 2·5*	*+ 1·6*	*−10*	*+11*	*− 6*	*− 3*	*− 4*
	3						*− 1·2*	*+ 8·8*			

---

[1] The summary measures of competitiveness were described in *Economic Trends* No. 304, February 1979. Revised measures of import price competitiveness and relative profitability of exports were described in an article in *Economic Trends*, No. 319, May 1980 – see footnote [3].

[2] All the indices are in terms of US dollars.

[3] Figures are now base weighted using 1975 export data. Downwards movements indicate greater competitiveness.

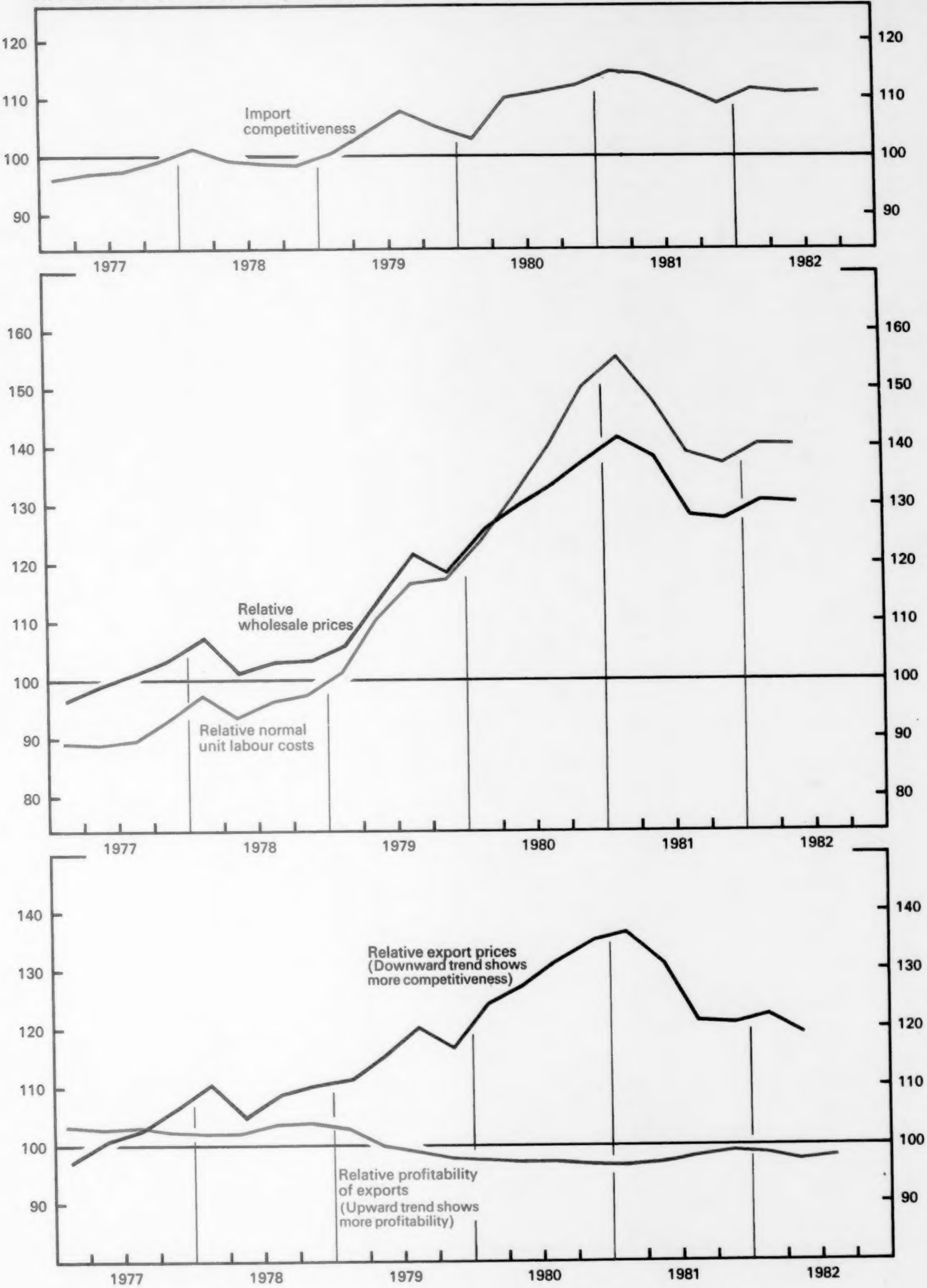
[4] Excludes erratics (ships, North Sea installations, aircraft and precious stones).

[5] See footnote [3] to page 40.

[6] Revised – data now from IMF.

Measures of UK trade competitiveness

1975=100



Balance of payments: current account

£ million, seasonally adjusted

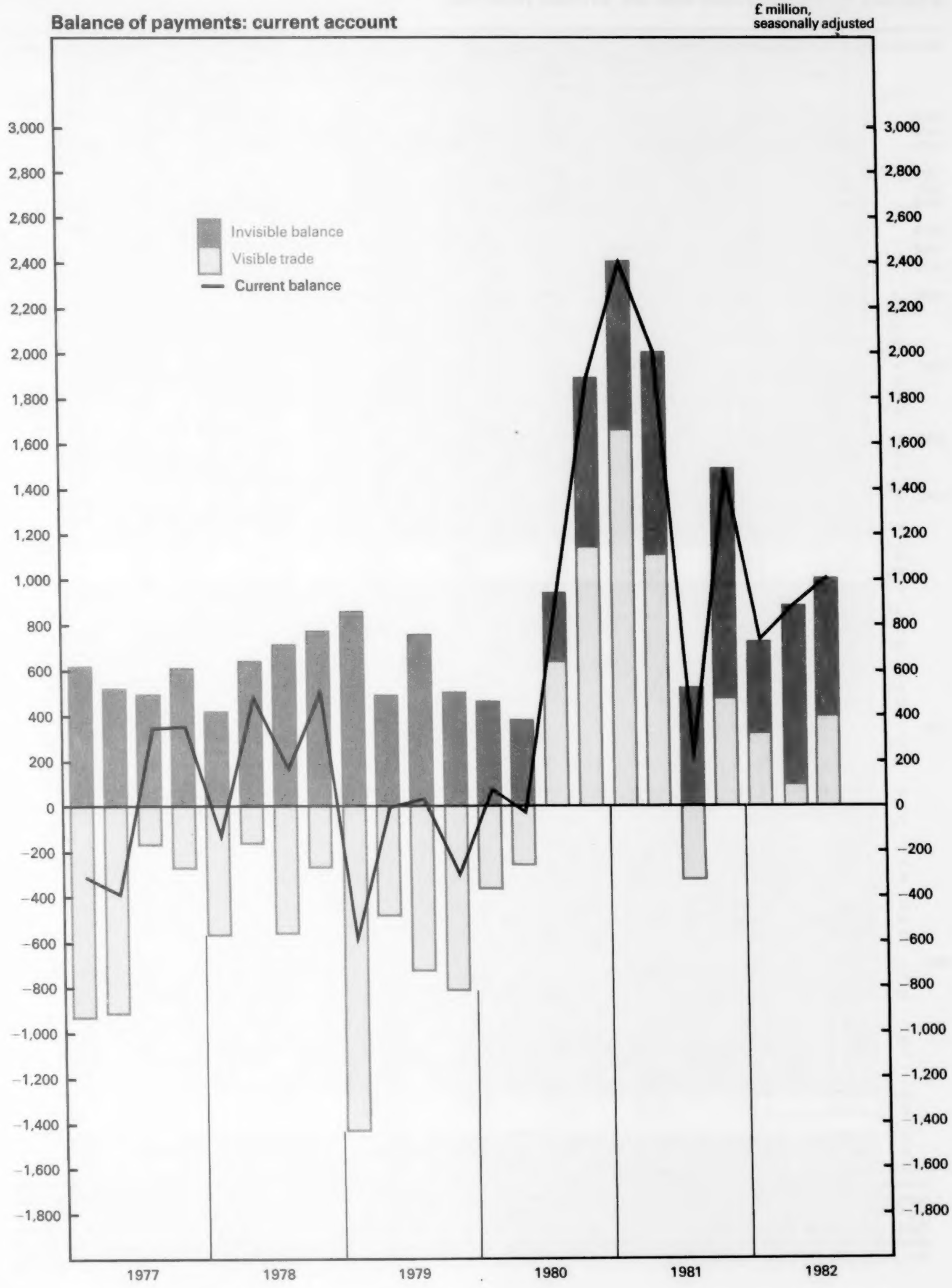
	Visible trade			Invisibles						
						Balance				Current balance
	Exports (f.o.b.)	Imports (f.o.b.)	Balance	Credits	Debits	Total	Services	IPD	Transfers	
1971	9,043	8,853	+ 190	5,697	4,763	+ 934	+ 625	+ 502	− 193	+1,124
1972	9,437	10,185	− 748	6,300	5,305	+ 995	+ 701	+ 538	− 244	+ 247
1973	11,937	14,523	−2,586	8,506	6,901	+1,605	+ 786	+1,257	− 438	− 981
1974	16,394	21,745	−5,351	10,511	8,433	+2,078	+1,083	+1,415	− 420	−3,273
1975	19,330	22,663	−3,333	11,467	9,655	+1,812	+1,519	+ 773	− 480	−1,521
1976	25,191	29,120	−3,929	15,006	11,952	+3,054	+2,449	+1,365	− 760	− 875
1977	31,728	34,012	−2,284	16,798	14,536	+2,262	+3,259	+ 118	−1,115	− 22
1978	35,063	36,605	−1,542	19,024	16,464	+2,560	+3,722	+ 615	−1,777	+1,018
1979	40,687	44,136	−3,449	23,663	21,067	+2,596	+3,958	+ 892	−2,254	− 853
1980	47,396	46,211	+1,185	25,817	24,137	+1,680	+4,060	− 273	−2,107	+2,865
1981	51,071	48,092	+2,979	29,342	26,199	+3,143	+4,113	+1,011	−1,981	+6,122
1976 *3*	6,400	7,627	−1,227	3,895	3,061	+ 834	+ 653	+ 369	− 188	− 393
4	7,028	8,158	−1,130	4,111	3,292	+ 819	+ 678	+ 352	− 211	− 311
1977 *1*	7,437	8,370	− 933	4,085	3,469	+ 616	+ 737	+ 124	− 245	− 317
2	7,914	8,831	− 917	4,141	3,616	+ 525	+ 816	− 11	− 280	− 392
3	8,354	8,520	− 166	4,268	3,762	+ 506	+ 838	− 11	− 321	+ 340
4	8,023	8,291	− 268	4,304	3,689	+ 615	+ 868	+ 16	− 269	+ 347
1978 *1*	8,282	8,844	− 562	4,439	4,020	+ 419	+ 892	+ 63	− 536	− 143
2	8,790	8,949	− 159	4,627	3,983	+ 644	+ 816	+ 224	− 396	+ 485
3	8,854	9,411	− 557	4,916	4,199	+ 717	+1,004	+ 180	− 467	+ 160
4	9,137	9,401	− 264	5,042	4,262	+ 780	+1,010	+ 148	− 378	+ 516
1979 *1*	8,313	9,746	−1,433	5,522	4,660	+ 862	+ 993	+ 382	− 513	− 571
2	10,759	11,238	− 479	5,622	5,149	+ 473	+ 922	+ 62	− 511	− 6
3	10,497	11,220	− 723	6,187	5,430	+ 757	+1,019	+ 349	− 611	+ 34
4	11,118	11,932	− 814	6,332	5,828	+ 504	+1,024	+ 99	− 619	− 310
1980 *1*	11,907	12,269	− 362	6,543	6,113	+ 430	+1,056	− 155	− 471	+ 68
2	11,926	12,183	− 257	6,525	6,307	+ 218	+1,018	− 169	− 631	− 39
3	11,712	11,062	+ 650	6,177	5,884	+ 293	+ 934	− 45	− 596	+ 943
4	11,851	10,697	+1,154	6,572	5,833	+ 739	+1,052	+ 96	− 409	+1,893
1981 *1*	11,769	10,092	+1,677	6,840	6,100	+ 740	+1,068	+ 207	− 535	+2,417
2	12,253	11,121	+1,132	7,010	6,139	+ 871	+1,055	+ 381	− 565	+2,003
3	13,191	13,511	− 320	7,412	6,887	+ 525	+ 990	+ 170	− 635	+ 205
4	13,858	13,368	+ 490	8,080	7,073	+1,007	+1,000	+ 253	− 246	+1,497
1982 *1*	13,279	12,956	+ 323	7,441	7,031	+ 410	+1,089	− 185	− 494	+ 733
2	13,745	13,620	+ 125	7,897	7,135	+ 762	+1,005	+ 408	− 651	+ 887
3	13,666	13,265	+ 401	7,858	7,254	+ 604	+ 973	+ 164	− 533	+1,005
1981 *J*	4,011 †	3,317	+ 694 †	..	..	+ 247[1]	..	..	..	+ 941
F	3,814	3,473	+ 341	..	..	+ 246[1]	..	..	..	+ 587
M	3,944	3,302	+ 642	..	..	+ 247[1]	..	..	..	+ 889
A	4,104	3,400	+ 704	..	..	+ 290[1]	..	..	..	+ 994
M	4,075	3,823	+ 252	..	..	+ 291[1]	..	..	..	+ 543
J	4,074	3,898	+ 176	..	..	+ 290[1]	..	..	..	+ 466
J	4,313	4,309 †	+ 4	..	..	+ 175[1]	..	..	..	+ 179
A	4,406	4,790	− 384	..	..	+ 175[1]	..	..	..	− 209
S	4,472	4,412	+ 60	..	..	+ 175[1]	..	..	..	+ 235
O	4,652	4,250	+ 402	..	..	+ 336[1]	..	..	..	+ 738
N	4,565	4,792	− 227	..	..	+ 335[1]	..	..	..	+ 108
D	4,641	4,326	+ 315	..	..	+ 336[1]	..	..	..	+ 651
1982 *J*	4,267	4,381	− 114	..	..	+ 137[1]	..	..	..	+ 23
F	4,422	4,245	+ 177	..	..	+ 136[1]	..	..	..	+ 313
M	4,590	4,330	+ 260	..	..	+ 137[1]	..	..	..	+ 397
A	4,698	4,473	+ 225	..	..	+ 254[1]	..	..	..	+ 479
M	4,595	4,704	− 109	..	..	+ 254[1]	..	..	..	+ 145
J	4,452	4,443	+ 9	..	..	+ 254[1]	..	..	..	+ 263
J	4,536	4,358	+ 178	..	..	+ 201[1]	..	..	..	+ 379
A	4,373	4,407	− 34	..	..	+ 202[1]	..	..	..	+ 168
S	4,757	4,500	+ 257	..	..	+ 201[1]	..	..	..	+ 458
O	4,703	4,444	+ 259	..	..	+ 200[2]	..	..	..	+ 459

---

[1] One third of the appropriate calendar quarter's estimate; monthly figures of invisibles are not available.

[2] This figure is one third of a quarterly projection and is subject to revision as the relevant statistical information becomes available.

Balance of payments: current account



* See footnote [1], on page 48.

Sterling exchange rates and UK official reserves

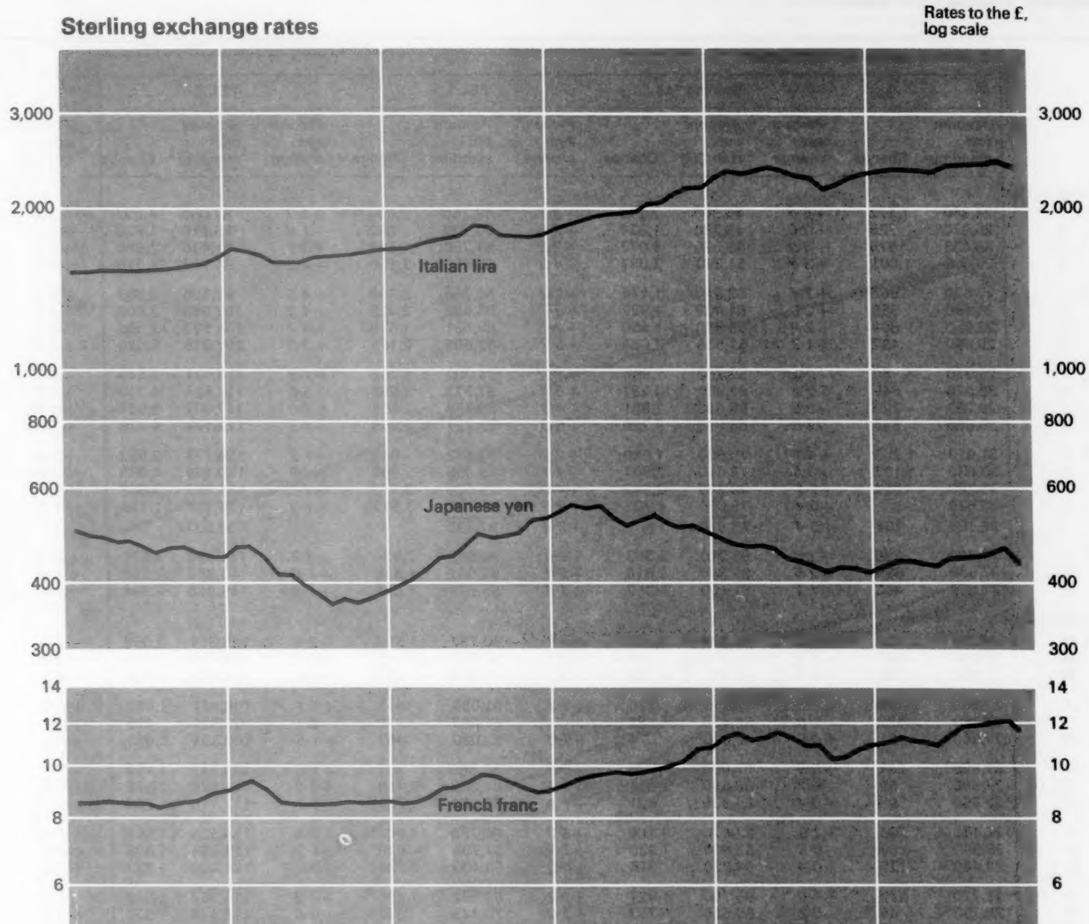
		Sterling exchange rate against major currencies[1]						$ million	Average 1975 = 100
		Japanese yen	US dollar	Swiss franc	French franc	Italian lira	Deutsche-mark	UK official reserves[2] (at end of period)	Sterling effective exchange rate
1973		664·6	2·453	7·758	10·90	1,426	6·540	6,476	111·8
1974		682·7	2·340	6·965	11·25	1,522	6·049	6,789	108·3
1975		658·1	2·220	5·723	9·50	1,447	5·447	5,429	100·0
1976		535·4	1·805	4·521	8·61	1,497	4·552	4,129	85·7
1977		467·7	1·746	4·189	8·57	1,540	4·050	20,557	81·2
1978		402·7	1·920	3·423	8·64	1,628	3·850	15,694	81·5
1979		465·6	2·122	3·525	9·03	1,762	3·887	22,538	87·3
1980		525·6	2·328	3·894	9·82	1,992	4·227	27,476	96·1
1981		444·6	2·025	3·969	10·94	2,287	4·556	23,347	95·3†
1980	*1*	548·5	2·254	3·740	9·34	1,857	3·995	26,963	93·0
	2	528·6	2·286	3·833	9·61	1,942	4·132	28,172	94·5
	3	523·2	2·382	3·885	9·81	2,008	4·226	27,637	96·7
	4	502·2	2·387	4·115	10·53	2,159	4·551	27,476	100·2
1981	*1*	474·7	2·309	4·376	11·21	2,311	4·814	28,212	101·8
	2	456·5	2·077	4·024	11·25	2,354	4·728	25,631	97·8
	3	425·7	1·839	3·852	10·66	2,234	4·469	23,696	90·6
	4	422·6	1·883	3·441	10·64	2,253	4·226	23,347	89·7
1982	*1*	431·7	1·845	3·459	11·07	2,331	4·331	18,969	91·2
	2	434·3	1·779	3·548	11·18	2,350	4·232	17,703	90·3
	3	454·2	1·695	3·675	12·09	2,411	4·282	18,299	91·5†
1980	*J*	538·8	2·266	3·612	9·15	1,823	3·907	23,441	91·8
	F	558·9	2·290	3·751	9·37	1,854	4·001	23,670	93·7
	M	548·2	2·206	3·865	9·51	1,896	4·081	26,963	93·5
	A	552·2	2·216	3·855	9·60	1,934	4·142	28,008	94·3
	M	525·4	2·304	3·830	9·63	1,942	4·125	28,284	94·7
	J	509·2	2·336	3·815	9·60	1,951	4·128	28,172	94·5
	J	524·3	2·373	3·812	9·62	1,973	4·145	28,272	95·6
	A	530·8	2·371	3·914	9·83	2,008	4·242	28,291	96·8
	S	515·1	2·402	3·936	9·99	2,045	4·297	27,637	97·6
	O	505·7	2·417	4·011	10·28	2,111	4·533	28,026	99·2
	N	510·1	2·396	4·135	10·63	2,177	4·593	28,189	101·1
	D	491·1	2·346	4·184	10·70	2,194	4·620	27,476	100·2
1981	*J*	485·9	2·405	4·376	11·16	2,289	4·829	28,394	103·2
	F	471·8	2·294	4·469	11·42	2,343	4·921	28,434	102·5
	M	466·6	2·233	4·292	11·09	2,303	4·703	28,212	99·7
	A	467·9	2·179	4·292	11·13	2,345	4·707	28,066	99·2
	M	461·0	2·090	4·312	11·47	2,386	4·793	26,487	98·8
	J	442·3	1·974	4·090	11·16	2,333	4·691	25,631	95·4
	J	435·2	1·876	3·932	10·87	2,278	4·577	24,568	92·5
	A	425·2	1·821	3·953	10·89	2,267	4·558	24,511	91·2
	S	416·8	1·817	3·680	10·25	2,159	4·279	23,696	88·1
	O	426·4	1·843	3·467	10·36	2,196	4·145	23,316	88·2
	N	424·8	1·904	3·398	10·69	2,267	4·237	23,463	90·1
	D	416·5	1·905	3·458	10·89	2,300	4·301	23,347	90·7
1982	*J*	423·8	1·887	3·477	10·99	2,317	4·326	23,225	91·2
	F	435·1	1·847	3·497	11·12	2,338	4·372	23,373	91·5
	M	435·6	1·807	3·411	11·10	2,337	4·299	18,969	90·8
	A	431·9	1·772	3·472	11·05	2,339	4·242	18,159	90·0
	M	428·8	1·812	3·528	10·89	2,321	4·183	17,820	89·9
	J	441·2	1·758	3·635	11·54	2,385	4·265	17,703	90·9
	J	442·1	1·735	3·635	11·89	2,397	4·277	17,943	91·2
	A	446·6	1·727	3·635	11·94	2,400	4·276	18,113	91·5
	S	450·4	1·714	3·662	12·11	2,415	4·288	18,299	91·7
	O	460·1	1·698	3·683	12·13	2,442	4·293	18,493	92·5
	N	432·0	1·633	3·586	11·79	2,400	4·173	18,006	89·5

---

[1] Average of daily Telegraphic Transfer rates in London.

[2] Apart from transactions, the level of official reserves has been affected, since 1970, by changes in the valuation of gold, Special Drawing Rights and convertible currencies. In addition, from July 1972, the official reserves were redefined to include the reserve position in the IMF. Substantial valuation changes at March 1979 and March 1980 increased the level of reserves by $4,493 million and $3,089 million respectively. Valuation changes at March 1981 and March 1982 reduced the level of reserves by $257 million and $4,218 million respectively. These valuation changes are described in detail in the footnotes of Table 18 of the quarterly balance of payments articles in the March, June, September and December issues of *Economic Trends*.

Sterling exchange rates



Money stock and liquidity

£ million, seasonally adjusted

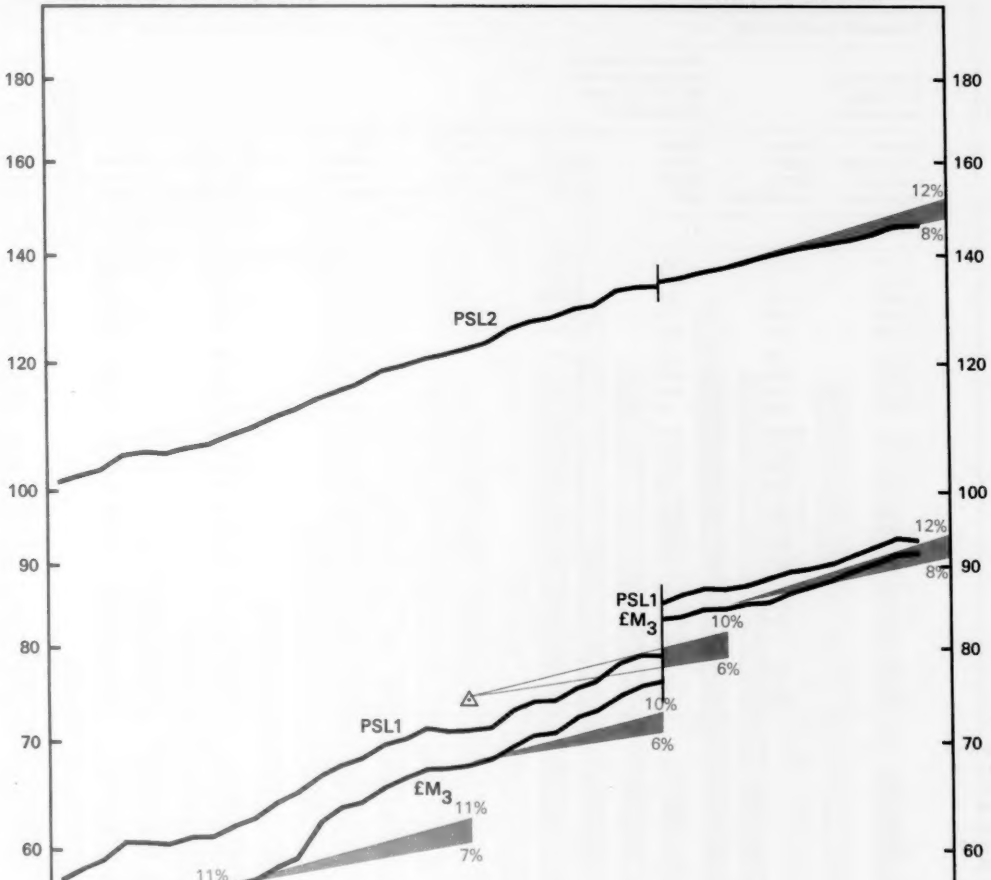
	M1			Sterling M3			PSL 1			PSL 2		
	Amount outstanding	Change	*Percentage change*	Amount outstanding	Change	*Percentage change*	Amount outstanding	Change	*Percentage change*	Amount outstanding	Change	*Percentage change*
At end period												
1978 *1*	24,360	1,172	*+5·0*	46,960	2,274	*+5·1*	49,350	2,663	*+5·7*	87,055	4,592	*+5·6*
2	25,070	728	*+3·0*	48,280	1,324	*+2·8*	50,226	882	*+1·8*	88,915	1,925	*+2·2*
3	26,030	975	*+3·9*	49,320	1,077	*+2·2*	51,750	1,558	*+3·1*	91,476	2,595	*+2·9*
4	27,000	1,001	*+3·8*	51,370	2,097	*+4·3*	53,860	2,159	*+4·2*	94,746	3,319	*+3·6*
1979 *1*	27,630	652	*+2·4*	52,510	1,178	*+2·3*	56,263	2,438	*+4·5*	98,596	3,885	*+4·1*
2	28,180	558	*+2·0*	54,420	1,927	*+3·7*	58,682	2,429	*+4·3*	102,088	3,502	*+3·6*
3	28,980	809	*+2·9*	55,850	1,450	*+2·7*	60,531	1,870	*+3·2*	104,627	2,568	*+2·5*
4	29,460	492	*+1·7*	57,900	2,084	*+3·7*	62,605	2,111	*+3·5*	107,618	3,028	*+2·9*
1980 *1*	29,370	− 80	*−0·3*	59,730	1,845	*+3·2*	64,202	1,753	*+2·8*	110,611	3,149	*+2·9*
2	30,020	649	*+2·2*	62,980	3,237	*+5·4*	67,772	3,555	*+5·5*	114,836	4,210	*+3·8*
3	29,790	−229	*−0·8*	65,660	2,681	*+4·3*	69,774	2,005	*+3·0*	117,907	3,074	*+2·7*
4	30,650	844	*+2·8*	68,940	3,286	*+5·0*	72,727	2,958	*+4·2*	122,128	4,226	*+3·6*
1981 *1*	31,910	1,252	*+4·1*	70,500	1,549	*+2·2*	73,482	842	*+1·2*	125,777	3,583	*+2·9*
2	33,030	1,107	*+3·5*	73,410	2,907	*+4·1*	76,459	2,964	*+4·0*	130,465	4,675	*+3·7*
3	33,380	353	*+1·1*	76,360	2,943	*+4·0*	79,535	3,072	*+4·0*	134,357	3,888	*+3·0*
4	33,520		*+0·4*	78,090	1,722	*+2·3*	81,065	1,517	*+1·9*	136,169	1,799	*+1·3*
	35,700	136	*+0·4*	85,640		*+2·3*	87,732			136,937		
1982 *1*	36,600	898	*+2·5*	88,010	2,363	*+2·8*	90,563	2,824	*+3·2*	141,520	4,576	*+3·3*
2	37,530	926	*+2·6*	89,840	1,816	*+2·1*	92,057	1,475	*+1·6*	143,633	2,094	*+1·5*
3	37,980	443	*+1·2*	91,100	1,252	*+1·4*	93,573	1,517	*+1·6*	145,616	1,984	*+1·4*
At mid-month												
1979 *O*	28,300	838	*+3·1*	55,670	1,150	*+2·1*	60,797	1,553	*+2·6*	105,311	2,065	*+2·0*
N	27,640	−660	*−2·3*	55,760	81	*+0·1*	60,723	− 86	*−0·1*	105,639	316	*+0·3*
D	27,520	−122	*−0·4*	55,700	− 85	*−0·2*	60,556	−209	*−0·3*	105,485	−196	*−0·2*
1980 *J*	27,560	69	*+0·3*	56,410	729	*+1·3*	61,093	673	*+1·1*	106,431	1,082	*+1·0*
F	27,150	−429	*−1·6*	56,430	− 23	—	61,087	− 76	*−0·1*	106,917	416	*+0·4*
M	27,360	221	*+0·8*	57,030	574	*+1·0*	62,080	967	*+1·6*	108,394	1,451	*+1·4*
A	27,620	241	*+0·9*	57,580	528	*+0·9*	62,866	783	*+1·3*	109,547	1,150	*+1·1*
M	27,560	− 59	*−0·2*	58,690	1,095	*+1·9*	64,302	1,419	*+2·3*	111,126	1,562	*+1·4*
J	27,660	98	*+0·4*	59,330	621	*+1·1*	65,067	731	*+1·1*	112,110	950	*+0·9*
J	28,480	800	*+2·9*	62,470	3,100	*+5·2*	66,789	1,663	*+2·6*	114,125	1,956	*+1·7*
A	28,340	−150	*−0·5*	63,860	1,330	*+2·1*	67,708	828	*+1·2*	115,294	1,078	*+0·9*
S	28,480	125	*+0·4*	64,220	316	*+0·5*	68,400	620	*+0·9*	116,403	1,037	*+0·9*
O	28,770	272	*+1·0*	65,700	1,427	*+2·2*	69,962	1,496	*+2·2*	118,567	2,098	*+1·8*
N	28,750	− 45	*−0·2*	66,530	767	*+1·2*	70,443	392	*+0·6*	119,426	770	*+0·6*
D	29,520	739	*+2·6*	67,380	760	*+1·1*	71,474	924	*+1·3*	120,712	1,179	*+1·0*
1981 *J*	29,170	−377	*−1·3*	67,490	23	—	71,068	−332	*−0·5*	121,327	492	*+0·4*
F	29,700	526	*+1·8*	67,740	201	*+0·3*	71,094	−166	*−0·2*	122,346	827	*+0·7*
M	29 640	− 64	*−0·2*	68,280	494	*+0·7*	71,458	306	*+0·4*	123,511	1,107	*+0·9*
A	30,880	1,238	*+4·2*	69,630	1,331	*+1·9*	73,232	1,761	*+2·5*	125,957	2,433	*+2·0*
M	31,180	288	*+0·9*	70,790	1,140	*+1·6*	74,234	981	*+1·3*	127,558	1,580	*+1·3*
J	31,110	− 79	*−0·3*	70,950	162	*+0·2*	74,295	63	*+0·1*	128,201	645	*+0·5*
J	31,940	836	*+2·7*	72,540	1,599	*+2·3*	75,723	1,445	*+1·9*	130,076	1,892	*+1·5*
A	31,220	−706	*−2·2*	73,260	742	*+1·0*	76,652	971	*+1·3*	131,151	1,117	*+0·9*
S	31,840	625	*+2·0*	74,900	1,683	*+2·3*	78,337	1,733	*+2·3*	133,168	2,065	*+1·6*
O	31,540	−287	*−0·9*	75,980	1,098	*+1·5*	79,131	821	*+1·0*	134,156	1,015	*+0·8*
N[1]	31,810	321	*+1·0*	76,210	291	*+0·4*	79,091	− 8	—	134,297	173	*+0·1*
	33,920	276	*+0·9*	83,380	253	*+0·3*	85,458			134,744		
D	34,040	127	*+0·4*	83,820	463	*+0·6*	86,084	684	*+0·8*	135,432	746	*+0·6*
1982 *J*	34,650	614	*+1·8*	84,750	967	*+1·2*	87,200	1,180	*+1·4*	136,998	1,630	*+1·2*
F	34,580	− 51	*−0·1*	84,780	94	*+0·1*	87,161	66	*+0·1*	137,613	720	*+0·5*
M	34,350	−225	*−0·7*	85,290	556	*+0·7*	87,598	501	*+0·6*	138,409	860	*+0·6*
A	34,360	23	*+0·1*	85,750	475	*+0·6*	88,750	1,175	*+1·3*	139,902	1,516	*+1·1*
M	34,540	197	*+0·6*	86,720	979	*+1·1*	89,391	658	*+0·7*	140,786	901	*+0·6*
J	35,230	694	*+2·0*	87,390	696	*+0·8*	89,874	508	*+0·6*	141,505	744	*+0·5*
J	35,520	302	*+0·9*	88,070	693	*+0·8*	90,226	368	*+0·4*	141,664	175	*+0·1*
A	35,960	440	*+1·2*	89,270	1,196	*+1·4*	91,400	1,181	*+1·3*	143,004	1,347	*+1·0*
S	36,420†	462†	*+1·3*	90,300	1,025	*+1·1*	92,569	1,166	*+1·3*	144,537	1,530	*+1·1*
O	37,480	1,056	*+2·9*	91,830	1,515	*+1·7*	93,871	1,289	*+1·4*	146,486	1,936	*+1·3*
N	37,430	− 57	*−0·2*	91,880	27	—	93,349	−546	*−0·6*	146,632	122	*+0·1*

---

[1] Changes up to and including the 4th quarter of 1981 in the quarterly series, and 18 November 1981 in the monthly series, have been calculated on the basis of the old banking sector; after those dates, changes in each series have been calculated on the basis of the new monetary sector. Figures for the 4th quarter of 1981 are partly estimated.

Money stock and liquidity

£ billion, seasonally adjusted, log scale
(and successive target ranges :
annual growth rates, per cent)



Counterparts to changes in money stock[1]

Seasonally adjusted[2] **£ million**

	Domestic counterparts								
	Public sector borrowing requirement		Net acquisition of public sector debt by UK non-bank private sector						
	Central government borrowing requirement	Other public sector contribution	Other public sector debt	Central government debt	Sterling lending to UK private sector[3]	Sub-total of domestic counter-parts	External and foreign currency counterparts	Non-deposit liabilities (net)	Money stock sterling M_3
	1	2	3	4	5	6	7	8	9
1977	4,469	1,524	551	7,905	3,188†	725†	3,847	− 442	4,130†
1978	8,371	− 13	−337	6,359	4,698	7,034	658	− 920	6,772
1979	10,430	2,178	989	9,896†	8,585	10,308	−3,120	− 573†	6,615
1980	11,156	1,059	275	9,186	10,025	12,779	− 476	−1,389	10,914
1981	10,139	441	−926	12,065	11,363	10,804	190	−1,585	9,409
1978 *1*	1,508	42	−243	1,403	916	1,306	946	22	2,274
2	2,086	−393	−561	1,791	1,313	1,776	− 46	− 406	1,324
3	2,274	−141	544	1,372	1,027	1,526	− 314	− 135	1,077
4	2,503	197	− 77	1,793	1,442	2,426	72	− 401	2,097
1979 *1*	1,542	1,286	464	3,140	2,565	1,789	− 540	− 71	1,178
2	2,907	−276	−332	2,907	2,045	2,103	99	− 275	1,927
3	2,772	958	629	1,701	1,994	3,394	−1,755	− 189	1,450
4	3,209	208	228	2,140	1,981	3,030	− 924	− 22	2,084
1980 *1*	222	482	314	1,513	3,424	2,301	138	− 594	1,845
2	3,045	485	297	1,725	2,278	3,786	− 251	− 298	3,237
3	3,571	461	− 31	3,138	2,655	3,580	− 567	− 332	2,681
4	4,318	−369	−305	2,693	1,668	3,229	204	− 147	3,286
1981 *1*	2,099	− 52	−453	3,902	2,321	919	1,013	− 383	1,549
2	5,171	688	− 98	3,265	678	3,370	41	− 504	2,907
3	2,831	−309	−120	1,727	2,984	3,899	− 400	− 556	2,943
4	38	114	−255	3,231	5,157	2,333	− 464	− 147	1,722
1982 *1*	− 413	599	− 64	3,367	6,036	2,919	− 263	− 293	2,363
2	1,251	31	− 90	1,141	3,271	3,502	−1,261	− 425	1,816
3	2,441	−969	141	4,322	5,220	2,229	− 152	− 825	1,252
Month ended									
1980 April 16	− 41	104		665	1,271	669	− 55	− 86	528
May 21	1,152	22		425	603	1,352	− 33	− 224	1,095
June 18	1,701	68		759	269	1,279	− 645	− 13	621
July 16	851	379		210	2,119	3,139	208	− 247	3,100
Aug. 20	1,240	119		1,017	1,138	1,480	4	− 154	1,330
Sept. 17	1,005	78		1,066	758	775	− 478	19	316
Oct. 15	1,030	149		957	900	1,122	586	− 281	1,427
Nov. 19	993	150		917	358	584	185	− 2	767
Dec. 10	978	− 76		719	685	868	4	− 112	760
1981 Jan. 21	426	336		1,085	595	272	− 358	109	23
Feb. 18	356	−106		1,027	640	−137	502	− 164	201
Mar. 18	606	259		1,757	1,131	239	326	− 71	494
April 15	1,923	90		927	434	1,520	− 278	89	1,331
May 20	1,923	588		1,398	72	1,185	79	− 124	1,140
June 17	1,716	4		1,030	159	849	− 277	− 410	162
July 15	2,304	−416		575	348	1,661	98	− 160†	1,599
Aug. 19	297	181		982	1,505†	1,001†	− 189†	− 70	742
Sept. 16	1,280	−154		188	1,247	2,185	− 329	− 173	1,683
Oct. 21	924	579		1,250	704	957	21	120	1,098
Nov. 18	− 948	79		1,426	2,543	248	− 104	109	253
Dec. 9	− 215	−251		312	1,318	540	− 220	143	463
1982 Jan. 20	282	463		1,180	1,332	897	305	− 235	967
Feb. 17	− 147	−203		1,039	1,952	563	− 404	− 65†	94
Mar. 17	− 737	354		1,231	2,211	597	117	− 158	556
April 21	− 561	497		722	2,021	1,235	− 422	− 338	475
May 19	1,232	39		489	971	1,753	− 511	− 263	979
June 16	800	−242		303	1,081	1,286	− 210	− 380	696
July 21	923	−140		1,269	1,522	1,036	− 663	320	693
Aug. 18	1,476	−391†		851	1,306	1,540	− 193	− 151	1,196
Sept. 15	946	−437		1,423	2,033	1,119	+ 206	− 300	1,025
Oct. 20	1,428	−314		−848	1,788	2,054	− 251	− 288	1,515
Nov. 17	1,031	−603		863	1,294	859	− 375	− 457	27

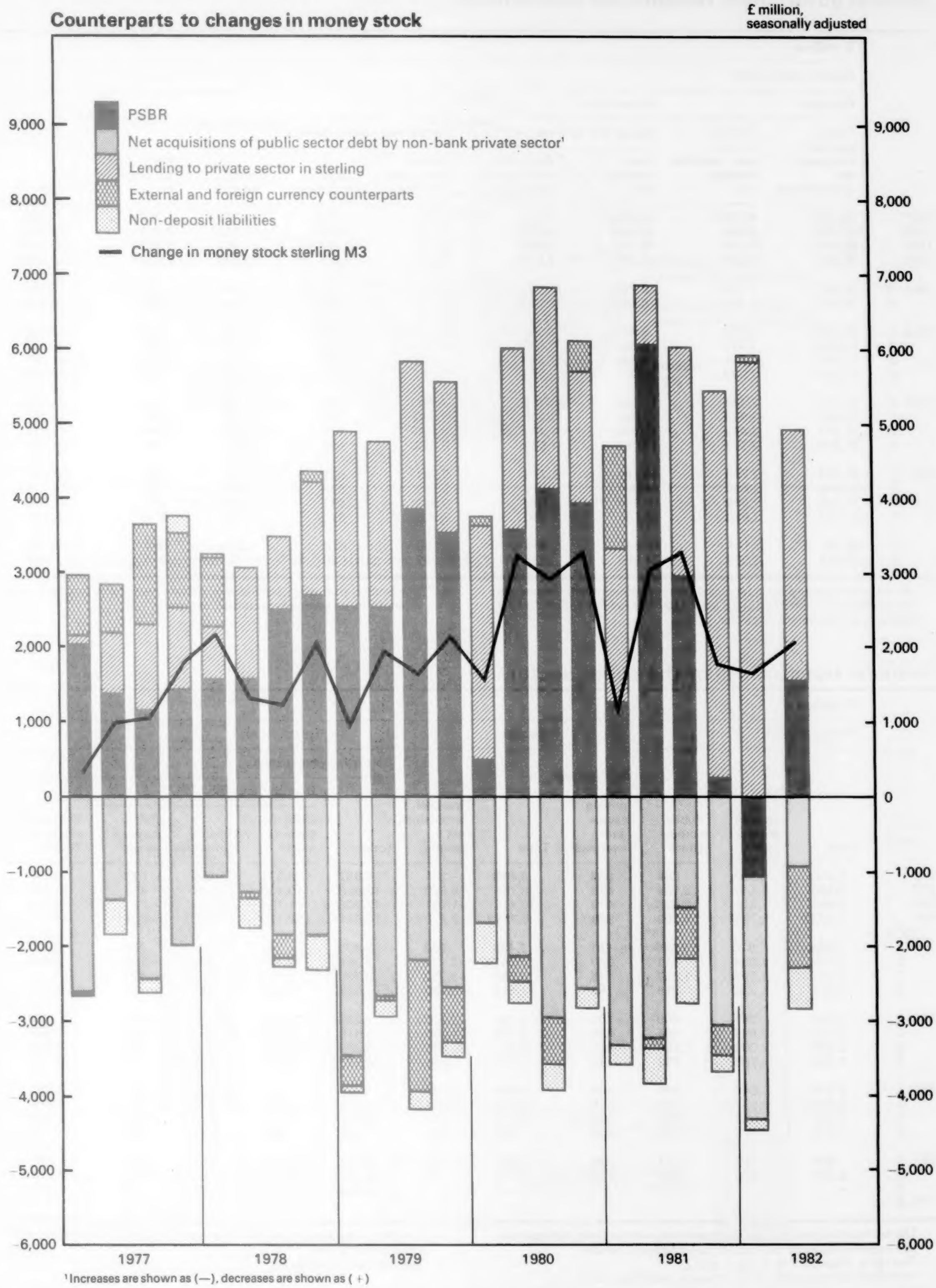
Relationship between columns: 6 = 1+2−3−4+5; 9 = 6+7+8
(The figures combined in the bracket are column 2 *less* column 3.)

[1] Changes up to and including the 4th quarter of 1981 in the quarterly series, and 18 November 1981 in the monthly series, have been calculated on the basis of the old banking sector; after those dates, changes in each series have been calculated on the basis of the new monetary sector. Figures for the 4th quarter of 1981 are partly estimated.

[2] The seasonally adjusted figures do not always add to the calendar year total which is the sum of unadjusted quarterly figures.

[3] Banking sector lending *plus* Bank of England Issue Department holdings of commercial bills.

Counterparts to changes in money stock



[1] Increases are shown as (—), decreases are shown as (+)

General government receipts and expenditure[1]

	£ million								
	General government								
	Receipts[2]		Expenditure						
			Goods and services		Current and capital tranfers				
	Taxes, national insurance, etc. contributions	Trading income rent, royalties interest, etc.	Final consumption	Gross domestic capital formation	Current grants and subsidies	Capital transfers	Debt interest	Net lending. etc[3]	Total
1978	56,420	6,795†	32,984	4,717	23,261	2,028	7,207	1,690	71,887
1979	67,558	8,232	38,324	5,278	27,474	1,897	8,963	3,273	85,209
1980	82,874	10,132	48,424	5,855	32,633	2,254	11,351	3,462	103,979
1981	96,949	11,307	54,914†	4,659	38,818	2,501	13,088	2,626	116,606†
1978 *3*	13,841	1,774†	8,263	1,143	5,794	443	1,951	730	18,324
4	15,077	1,634	8,652	1,150	6,068	481	1,843	445	18,639
1979 *1*	15,914	2,063	8,889	1,507	6,563	500	2,332	554	20,345
2	16,049	1,922	9,304	1,040	6,854	456	1,921	672	20,247
3	17,304	2,215	9,874	1.367	6,676	448	2,544	1,055	21,964
4	18,291	2,032	10,257	1,364	7,381	493	2,166	992	22,653
1980 *1*	21,102	2,443	11,144	1,755	7,846	586	3,155	152	24,638
2	18,680	2,429	11,652	1,156	8,140	522	2,337	1,434	25,241
3	21,447	2,483	12,530	1,424	8,124	620	3,318	1,156	27,172
4	21,645	2,777	13,098	1,520	8,523	526	2,541	720	26,928
1981 *1*	23,853	2,788	13,195	1,728	9,231	671	3,661	340	28,826
2	21,546	2,695	13,567†	911	9,799	528	2,658	893	28,356†
3	25,606	2,906	13,999	960	9,883	631	3,971	879	30,323
4	25,944	2,918	14,153	1,060	9,905	671	2,798	514	29,101
1	28,227	3,141	14,640	1,468	10,300	826	4,351	852	32,437
2	24,632	3,050	14,589	631	10,987	536	2,767	318	29,828

---

[1] An article describing the new presentation of government income and expenditure was published in the March 1977 issue of *Economic Trends*.
[2] Excluding financial transactions.
[3] Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc. (net).

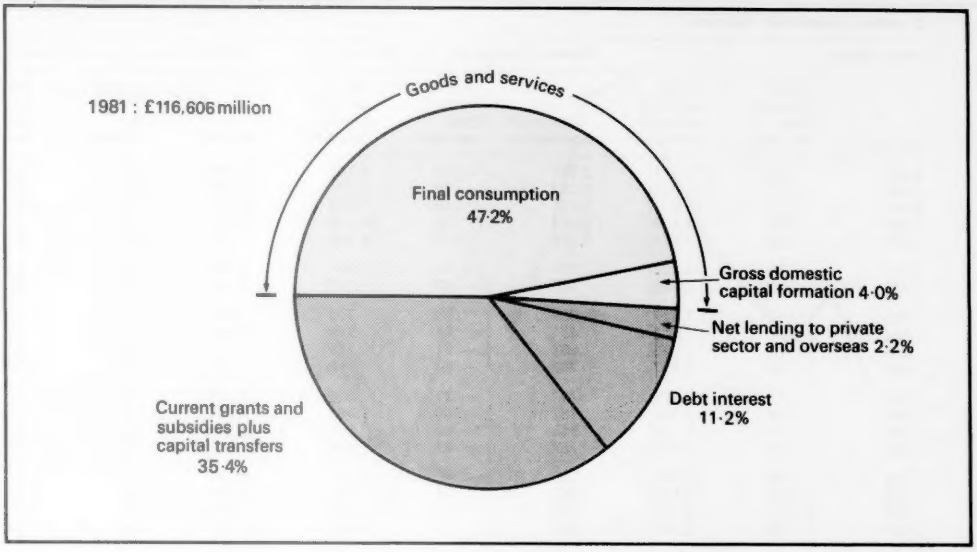
Financial transactions of the public sector

	£ million										
	Financial deficit[1]				Receipts						
							Borrowing requirement				
								Contributions by:			
	Total	General government[2]	Public corporations	Net lending etc., to private sector and overseas[3]	Total	Financial transactions (net receipts)	Total	Central government[4]	Local authorities	Public corporations	Seasonally adjusted Total[5]
1978	7,950	6,982	968	538	8,488	131	8,357	8,371	659	−673	8,357
1979	8,280	6,146	2,134	475	8,755	−3,853	12,608	10,430	1,761	417	12,608
1980	9,936	7,511	2,425	479	10,415	−1,791	12,206	11,156	1,781	−731	12,206
1981	7,322†	5,724†	1,598	989	8,311†	−2,270†	10,581†	10,139	1,068†	−626†	10,581†
1979 *1*	2,264	1,814	450	181	2,445	972	1,473	247	1,001	225	2,828
2	2,015	1,604	411	237	2,252	−1,133	3,385	3,797	− 223	−189	2,632
3	2,447	1,390	1,057	115	2,562	−1,233	3,795	2,842	632	321	3,731
4	1,554	1,338	216	− 58	1,496	−2,459	3,955	3,544	351	60	3,417
1980 *1*	1,400	941	459	−105	1,295	2,518	− 1,223	− 1,956	1,388	−655	694
2	3,362	2,698	664	436	3,798	−1,020	4,818	4,619	541	−342	3,530
3	3,250	2,086	1,164	181	3,431	− 343	3,774	3,246	313	215	4,033
4	1,924	1,786	138	− 33	1,891	−2,946	4,837	5,247	− 461	51	3,949
1981 *1*	2,214	1,845	369	−124	2,090	2,325	− 235	− 156	558	−637	2,047
2	3,686†	3,222†	464	616	4,302	−3,541†	7,843	7,421	317	105	5,859
3	1,835	932	903	288	2,123	− 82	2,205	2,267	270	−332	2,523
4	− 413	− 275	− 138	209	− 204	− 972	768	607	− 77†	238†	152†
1982 *1*	636	217	419	256	892	3,002	− 2,110	− 2,777	510	157	161
2	2,356	1,828	528	418†	2,774	− 89	2,863	3,147†	85	−369	1,287
3							1,753	2,481	− 732	4	1,469
4											

---

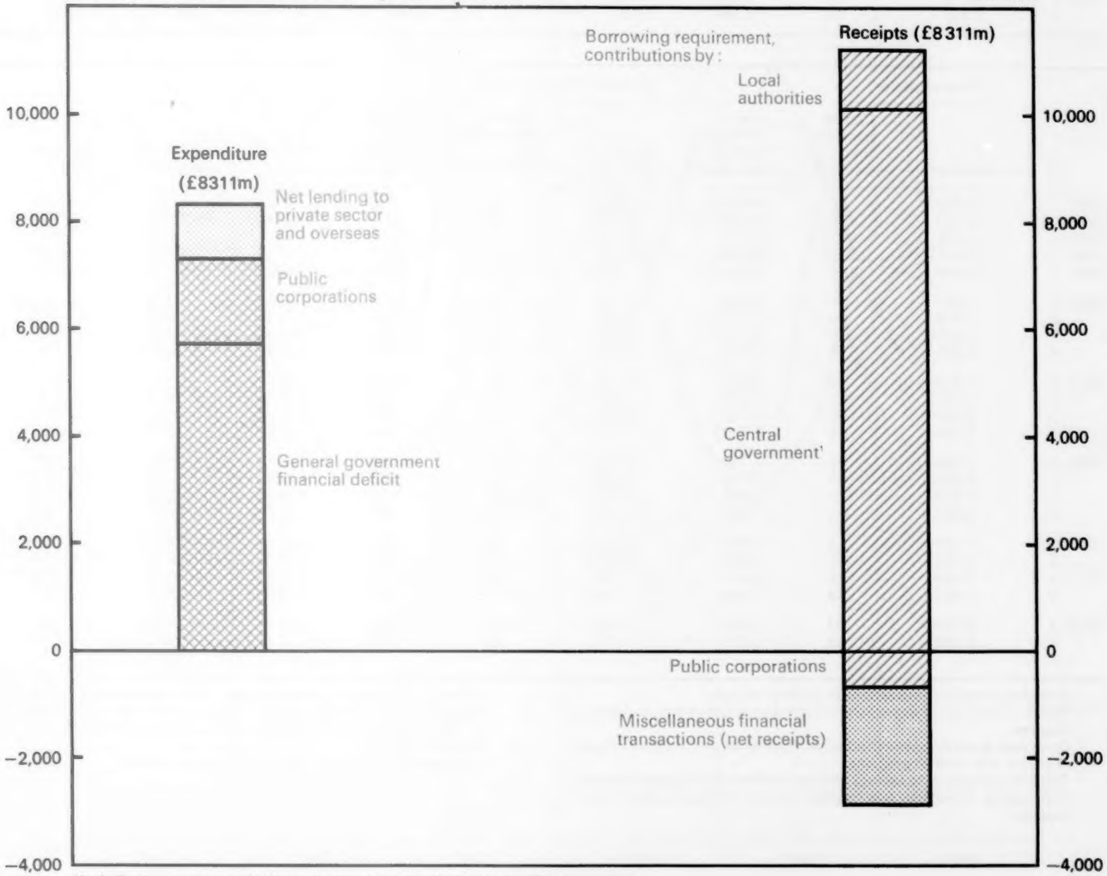
[1] The excess of current and capital expenditure over receipts; corresponds to a negative figure of 'net acquisition of financial assets'.
[2] Top table, columns 3 to 7, *less* 1 and 2.
[3] Including cash expenditure on company securities (net.)
[4] Including borrowing matched by on-lending to local authorities and public corporations.
[5] Calendar year constrained.

General government expenditure



Financial transactions of the public sector, 1981

£ million



[1] Including borrowing matched by on-lending to local authorities and public corporations.

Summary capital accounts and financial surplus or deficit: analysis by sector

£ million, seasonally adjusted

		Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
		Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital tranfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital tranfers (net receipts)	Gross domestic capital formation[3]
1977		4,253	—190	10,011	2,757	—147	2,180	15,762	255	15,389
1978		2,590	—598	9,942	2,087	— 75	3,093	18,500	374	16,934
1979		3,542	—291	11,531	3,241	—210	3,803	21,267	324	24,443
1980		3,596	—424	13,108	3,023	—238	4,949	16,635	387	18,380
1981		5,063	—272	12,113	3,310	—515	5,646	17,140	591	15,910
1977	*3*	1,111	— 39	2,509	727	— 44	664	3,999	52	3,341
	4	636	— 21	2,498	575	— 43	617	3,835	61	3,799
1978	*1*	663	—247	2,327	339	79	773	4,391	107	3,850
	2	1,166	—110	2,533	471	— 51	789	4,350	81	4,304
	3	313	—118	2,525	569	— 51	779	4,721	90	4,238
	4	448	—123	2,557	708	— 52	752	5,038	96	4,542
1979	*1*	569	— 67	2,674	757	— 21	805	4,339	54	5,829
	2	1,249	—105	2,756	782	— 60	1,067	5,801	110	5,486
	3	1,260	— 67	3,105	945	— 62	923	5,851	95	6,682
	4	464	— 52	2,996	757	— 67	1,008	5,276	65	6,446
1980	*1*	1,794	— 65	3,195	796	— 42	1,117	5,147	36	5,787
	2	636	—100	3,158	963	— 71	1,180	4,975	84	5,248
	3	409	—173	3,356	760	— 65	1,257	3,366	121	4,278
	4	757	— 86	3,399	504	— 60	1,395	3,147	146	3,067
1981	*1*	714	— 97	3,223	1,056	— 58	1,265	3,519	117	3,423
	2	1,030	—119	3,135	1,056	— 77	1,395	4,400	151	3,713
	3	1,010	— 40	2,759	764	—214	1,478	4,475	173	4,574
	4	2,309	— 16	2,996	434	—166	1,508	4,746	150	4,200
1982	*1*	1,865	— 60	3,138	658	—199	1,437	3,361	162	4,215
	2	1,938	— 75	3,084	1,180	— 76	1,490	3,475	82	4,145

		Personal sector			Financial Surplus/Deficit[4]					
		Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[5]	Residual error[6]
1977		10,352	82	4,936	—5,948	430	628	5,498	22	— 630
1978		14,537	299	5,622	—7,950	—1,081	1,940	9,214	—1,018	—1,105
1979		19,731	177	6,877	—8,280	— 772	—2,852	13,031	853	—1,980
1980		25,082	275	6,724	—9,936	—2,164	—1,358	18,633	—2,865	—2,310
1981		23,449	196	7,240	—7,322†	—2,851	1,821	16,405	—6,122†	—1,931†
1978	*1*	2,657	61	1,334	—1,911	— 355	648	1,384	143	91
	2	3,419	80	1,412	—1,477	— 369	127	2,087	— 485	117
	3	3,956	79	1,416	—2,330	— 261	573	2,619	— 160	— 441
	4	4,505	79	1,460	—2,232	— 96	592	3,124	— 516	— 872
1979	*1*	4,910	34	1,457	—2,172	— 69	—1,436	3,487	571	— 381
	2	3,787	55	1,633	—1,612	— 345	425	2,209	6	— 683
	3	4,840	34	1,752	—1,912	— 40	— 736	3,122	— 34	— 400
	4	6,194	54	2,035	—2,584	— 318	—1,105	4,213	310	— 516
1980	*1*	5,369	71	1,909	—1,466	— 363	— 604	3,531	— 68	—1,030
	2	5,903	87	1,725	—2,622	— 288	— 189	4,265	39	—1,205
	3	6,873	117	1,650	—3,120	— 562	— 791	5,340	— 943	76
	4	6,937	—	1,440	—2,728	— 951	226	5,497	—1,893	— 151
1981	*1*	6,393	38	1,619	—2,606	— 267	213	4,812	—2,417†	265†
	2	5,740	45	1,551	—2,224†	— 416	838	4,234	—2,003	— 429
	3	5,860	81	2,071	—1,789	— 928	74	3,870	— 205	—1,022
	4	5,456	32	1,999	— 703	—1,240	696	3,489	—1,497	— 745
1982	*1*	6,159	97	2,343	—1,333	— 978	— 692	3,913	— 733	— 177
	2	5,340	69	2,256	—1,221	— 386	— 588	3,153	— 887	— 71
	3								—1,005	

---

[1] Excluding financial transactions in writing-off debt.

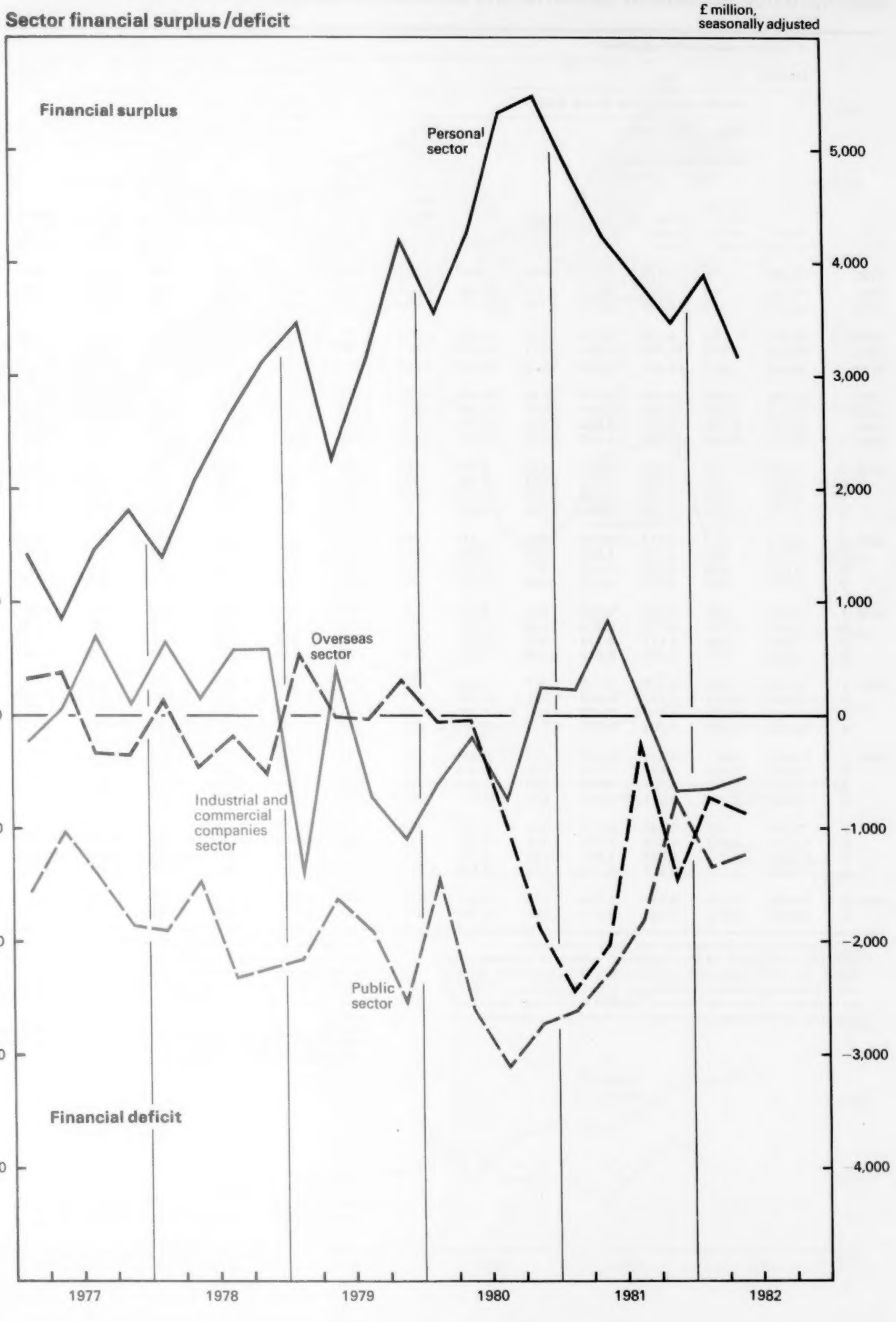
[2] Before providing for depreciation stock appreciation and addition to reserves.

[3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.

[4] This balance is equal to savings *plus* capital transfer *less* gross domestic fixed capital formation, *less* increase in value of stocks and work in progress.

[5] Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers. Figures for the 2nd and 3rd quarter of 1981 cannot be calculated due to the non-availability of trade statistics data.

[6] The residual error in the national income accounts.


Sector financial surplus/deficit
£ million, seasonally adjusted
Financial surplus
Personal sector
Overseas sector
Industrial and commercial companies sector
Public sector
Financial deficit
5,000
4,000
3,000
2,000
1,000
0
−1,000
−2,000
−3,000
−4,000
1977
1978
1979
1980
1981
1982

Appropriation account of industrial and commercial companies

£ million, seasonally adjusted

	Income								Allocation of income				Balance	
		Income arising in the United Kingdom							Dividends, interest and current transfer payments					
		Gross trading profits												
		Net of stock appreciation												
	Total income	N. Sea oil companies	Other companies	Total	Stock appreciation	Total[1]	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Dividends on ordinary shares[2]	Other[2,3]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Undistributed income[5]	Undistributed income adjusted for unremitted profits[5,6]
1972	10,489	50	7,725	7,775	1,082	8,857	606	1,026	1,524	1,539	549	1,030	5,847	5,773
1973	14,200	33	8,943	8,976	2,310	11,286	1,005	1,909	1,638	2,408	646	1,303	8,205	7,812
1974	16,574	—17	8,439	8,422	4,751	13,173	1,290	2,111	1,469	3,391	506	2,075	9,133	8,602
1975	16,373	— 50	9,184	9,134	4,319	13,453	1,303†	1,617	1,508	3,371	422	1,631	9,441	8,818
1976	20,835	516	11,006	11,522	5,357	16,879	1,567	2,389	1,795†	3,952	724	1,377	12,987	11,860
1977	26,072	1,957	16,391	18,348	3,909	22,257	1,439	2,376	2,144	4,120	1,729	2,317	15,762	15,827
1978	30,569	2,602	20,109	22,711	3,348	26,059	1,735	2,775	2,619	4,437	1,980	3,033	18,500	18,462
1979	39,439	5,265	18,701	23,966	7,577	31,543	2,437	5,459	4,204	6,173	3,808	3,987	21,267	22,273
1980	39,927	8,036	18,848	26,884	5,061	31,945	3,171	4,811	4,208	8,911	4,609	5,564	16,635	17,531
1981	42,631	10,990	18,560	29,550	4,295	33,845	3,478	5,308	4,467	9,193	4,394	7,437	17,140	17,094
1976 *1*	4,553	54	2,637	2,691	976	3,667	334	552	446	857	192	213	2,845	2,610
2	4,941	77	2,555	2,632	1,363	3,995	369	577	439	895	130	308	3,169	2,855
3	5,331	123	2,746	2,869	1,439	4,308	394	629	447	1,000	189	398	3,297	2,941
4	6,010	262	3,068	3,330	1,579	4,909	470	631	463	1,200	213	458	3,676	3,454
1977 *1*	6,503	413	3,613	4,026	1,408	5,434	433	636	562	1,180	362	486	3,913	3,859
2	6,623	491	4,194	4,685	966	5,651	352	620	567	1,011	453	577	4,015	4,035
3	6,671	528	4,297	4,825	937	5,762	340	569	582	998	474	618	3,999	4,013
4	6,275	525	4,287	4,812	598	5,410	314	551	433	931	440	636	3,835	3,920
1978 *1*	7,023	559	5,045	5,604	480	6,084	336	603	635	887	453	657	4,391	4,440
2	7,339	610	4,673	5,283	938	6,221	417	701	763	1,055	433	738	4,350	4,342
3	7,873	658	5,121	5,779	922	6,701	464	708	649	1,188	510	805	4,721	4,663
4	8,334	775	5,270	6,045	1,008	7,053	518	763	572	1,307	584	833	5,038	5,017
1979 *1*	8,256	933	4,206	5,139	1,361	6,500	554	1,202	942	1,384	724	867	4,339	4,287
2	9,983	1,142	5,191	6,333	1,861	8,194	571	1,218	742	1,399	983	1,058	5,801	6,176
3	10,498	1,532	4,600	6,132	2,195	8,327	640	1,531	929	1,618	1,038	1,062	5,851	6,171
4	10,702	1,658	4,704	6,362	2,160	8,522	672	1,508	1,591	1,772	1,063	1,000	5,276	5,639
1980 *1*	11,016	1,871	4,674	6,545	2,293	8,838	756	1,422	1,005	2,115	1,288	1,461	5,147	5,575
2	10,328	1,892	5,422	7,314	997	8,311	770	1,247	863	2,201	1,313	976	4,975	5,211
3	9,148	2,005	4,191	6,196	1,183	7,379	793	976	1,106	2,229	965	1,482	3,366	3,550
4	9,435	2,268	4,561	6,829	588	7,417	852	1,166	1,234	2,366	1,043	1,645	3,147	3,195
1981 *1*	9,498	2,427	4,285	6,712	760	7,472	757	1,269	1,189	2,156	927	1,707	3,519	3,388
2	10,167	2,583	4,578	7,161	1,068	8,229	778	1,160	1,259	2,123	785	1,600	4,400	4,229
3	10,931	2,857	4,584	7,441	1,283	8,724	911	1,296	1,130	2,243	1,195	1,888	4,475	4,513
4	12,035	3,123	5,113	8,236	1,184	9,420	1,032	1,583	889	2,671	1,487	2,242	4,746	4,964
1982 *1*	10,545	2,684	5,246	7,930	573	8,503	989	1,053	1,323	2,517	1,126	2,218	3,361	3,345
2	10,923	2,813	5,560	8,373	381	8,754	972	1,197	1,479	2,566	1,024	2,379	3,475	3,638

---

[1] Before providing for depreciation and stock appreciation.

[2] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income.

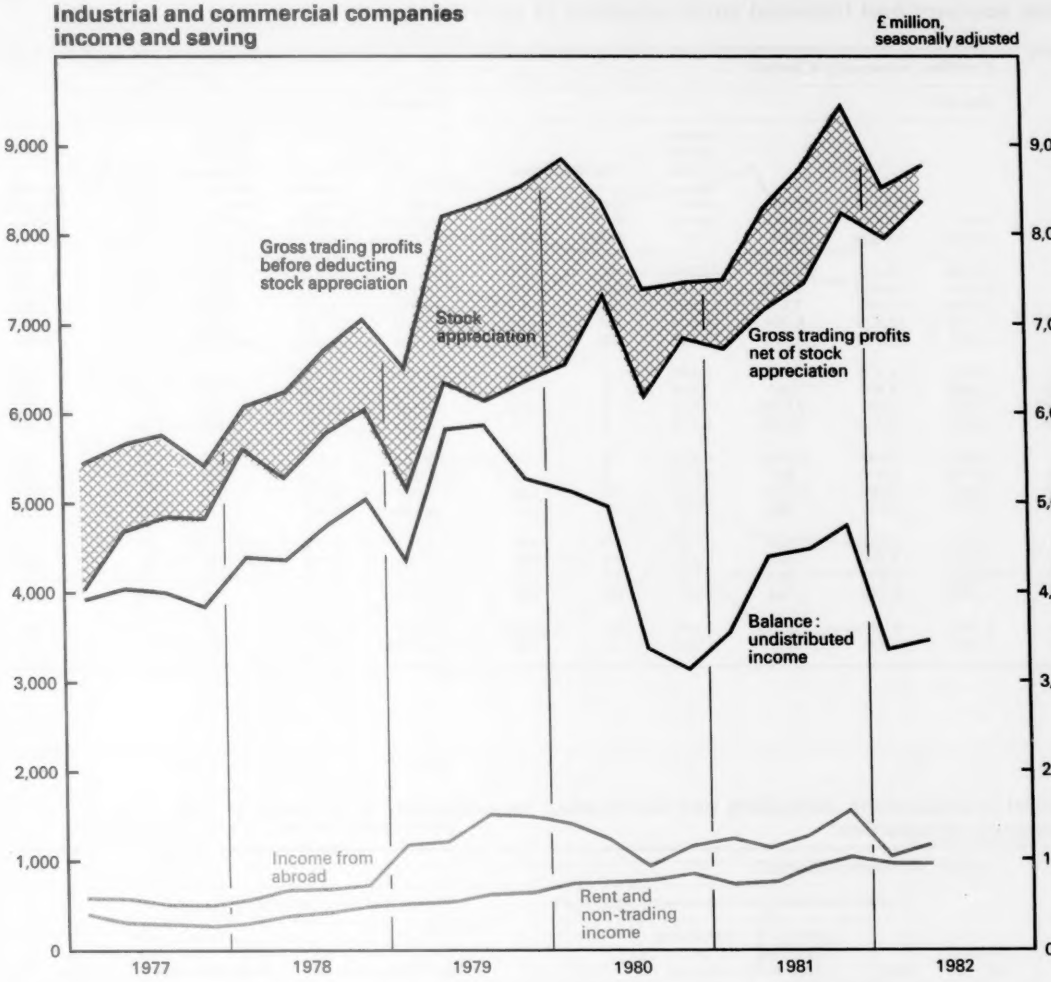
[3] Including royalties and licence fees on oil and gas production.

[4] The residual of all companies' payments and financial companies and institutions' accruals (payments from 1977) of taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973) and petroleum revenue tax.

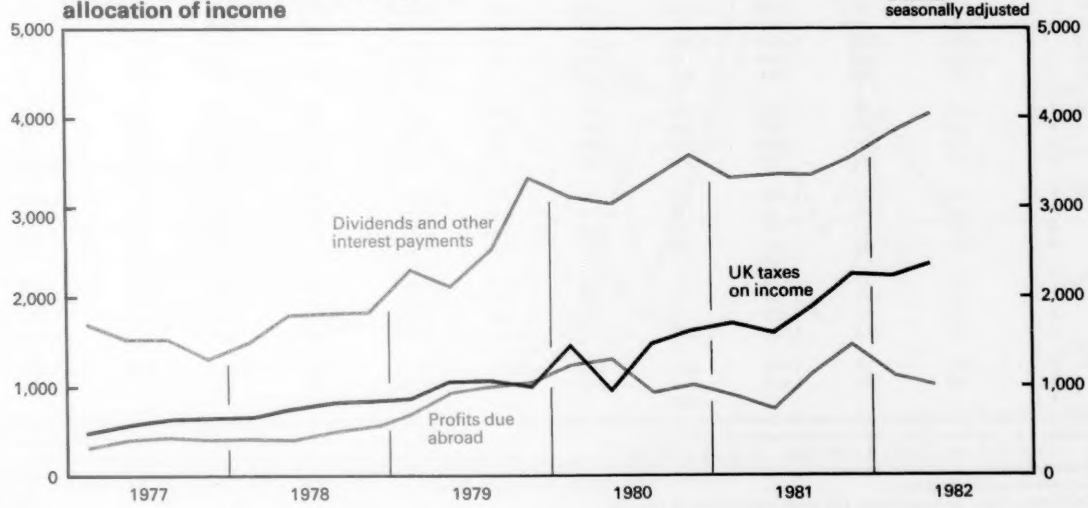
[5] Before providing for depreciation, stock appreciation and additions to reserves.

[6] Excludes profits retained abroad by overseas subsidiaries of UK companies. Includes profits retained in the United Kingdom by subsidiaries of overseas companies.

Industrial and commercial companies income and saving



Industrial and commercial companies allocation of income



Capital account and financial surplus/deficit of industrial and commercial companies

£ million, seasonally adjusted

		Receipts						Expenditure				
						Capital transfers						
		Total receipts	Undistributed income	Stock appreciation	Undistributed income *less* stock appreciation	Investment grants	Other	Total expenditure	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Taxes on capital and other capital transfers	Balance: Financial surplus/ deficit
1977		12,168	15,762	3,909	11,853	36	279	11,540	9,918	1,562	60	628
1978		15,594	18,500	3,348	15,152	33	409	13,654	12,237	1,349	68	1,940
1979		14,100	21,267	7,577	13,690	21	389	16,952	14,231	2,635	86	−2,852
1980		12,074	16,635	5,061	11,574	37	463	13,432	15,745	−2,426	113	−1,358
1981		13,559	17,140	4,295	12,845	42	672	11,738	15,034	−3,419	123	1,821
1979	*1*	3,080	4,339	1,361	2,978	7	95	4,516	3,336	1,132	48	−1,436
	2	4,060	5,801	1,861	3,940	7	113	3,635	3,390	235	10	425
	3	3,761	5,851	2,195	3,656	3	102	4,497	3,706	781	10	− 736
	4	3,199	5,276	2,160	3,116	4	79	4,304	3,799	487	18	−1,105
1980	*1*	2,950	5,147	2,293	2,854	8	88	3,554	3,865	− 371	60	− 604
	2	4,079	4,975	997	3,978	9	92	4,268	3,970	281	17	− 189
	3	2,324	3,366	1,183	2,183	11	130	3,115	3,959	− 864	20	− 791
	4	2,721	3,147	588	2,559	9	153	2,495	3,951	−1,472	16	226
1981	*1*	2,934	3,519	760	2,759	11	164	2,721	3,773	−1,110	58	213
	2	3,503	4,400	1,068	3,332	10	161	2,665	3,796	−1,151	20	838
	3	3,384	4,475	1,283	3,192	11	181	3,310	3,714	− 423	19	74
	4	3,738	4,746	1,184	3,562	10	166	3,042	3,751	− 735	26	696
1982	*1*	2,943	3,361	573	2,788	11	144	3,635	3,787	− 145	−7	− 692
	2	3,197	3,475	381	3,094	8	95	3,785	3,849	− 85	21	− 588

Financial transactions including net borrowing requirement of industrial and commercial companies[1]

£ million, seasonally adjusted

			Transactions leading to net borrowing requirement					Financing of net borrowing requirement[5]				
								Borrowing from		Financial assets		
		Financial surplus/ deficit	Net unremitted profits[2]	Net identified trade and other credit[3]	Investment in UK company securities[4]	Investment abroad	Unidentified transactions	Banks	Other[6]	Liquid	Other	Net borrowing requirement (NBR)
1977		628	65	− 551†	−1,041	− 814†	452†	3,015†	1,988†	−3,124†	−619†	1,261†
1978		1,940	− 38	− 561	− 773	−2,004	− 952	2,939	2,025	−2,578	2	2,388
1979		−2,852	1,006	1,510	−1,056	−3,323	−1,290	4,772	2,034	−1,032	231	6,005
1980		−1,358	896	−1,218	− 907	−2,993	− 905	6,795	3,875	−3,766	−419	6,485
1981		1,821	− 46	431	− 826	−3,979	−2,138	4,222	6,349	−5,161	−673	4,737
1979	*1*	−1,436	− 52	220†	− 206	− 894	301†	1,873†	392†	− 363†	165	2,067
	2	425	375	187	− 236	− 597	−1,127	969	953	−1,059	110	973
	3	− 736	320	1,200	− 261	−1,098	− 286	896	319	556	−910	861
	4	−1,105	363	− 97	− 353	− 734	− 178	1,034	370	− 166	866	2,104
1980	*1*	− 604	428	−1,138	− 170	−1,063†	− 907	2,164	1,324	377	−411	3,454
	2	− 189	236	− 79	− 175	−1,169	− 585	2,091	472	− 379	−223	1,961
	3	− 791	184	111	− 424	− 229	384	2,139	307	−1,738	57	765
	4	226	− 48	− 112	− 138	− 532	203	401	1,772	−2,026	158	305
1981	*1*	213	− 131	− 724	− 221	−1,021	1,954	−1,087	2,592	−1,441	−134	− 70
	2	838	− 171	2,709	− 139	− 821	− 915	1,561	− 994	−1,285	−783	−1,501
	3	74	38	371	− 178	− 825	− 555	1,834	1,249	−1,909	− 99	1,075
	4	696	218	−1,925	− 288	−1,312	−2,622	1,914	3,502	− 526	343	5,233
1982	*1*	− 692	− 16	1,633	− 205	− 822	−3,827	− 243	4,965	−1,602	809	3,929
	2	− 588	163	−1,654	− 256	− 366	765	1,729	− 303	581	− 71	1,936
	3				− 291			135				

---

[1] Inflows (+), outflows (−); Relationships between columns: 1+2+3+4+5+6+7+8+9+10=zero; 7+8+9+10=11

[2] Retained in UK (+), retained abroad (−).

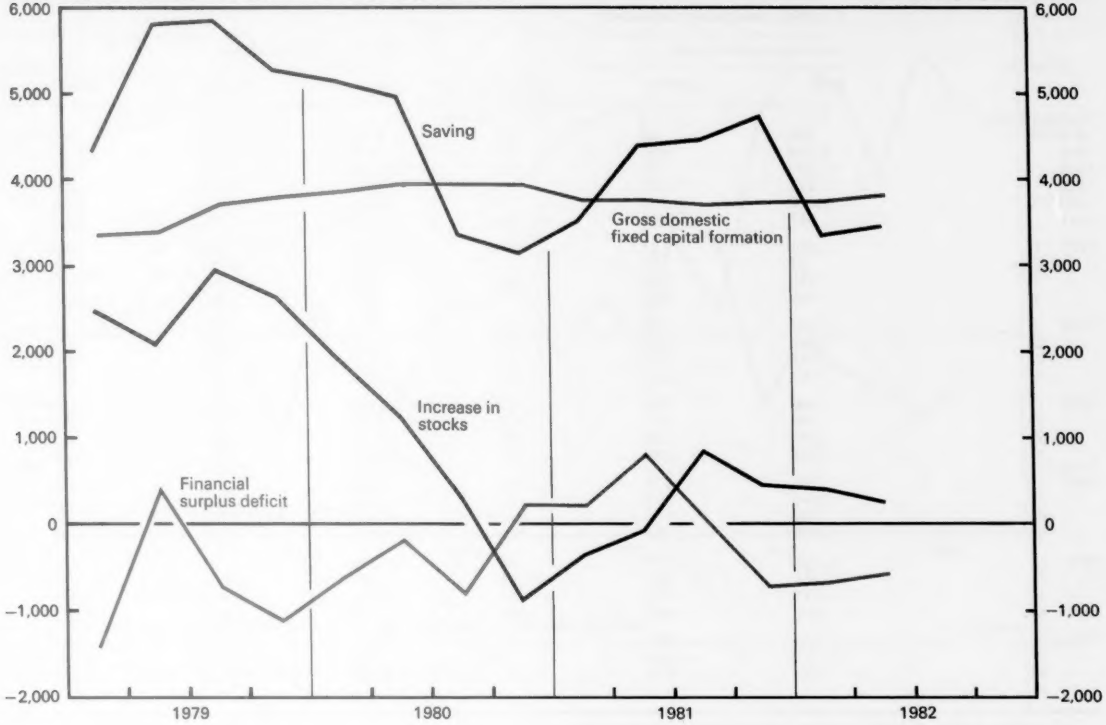
[3] Includes accruals adjustment.

[4] Cash expenditure on subsidiaries and trade investments in the UK.

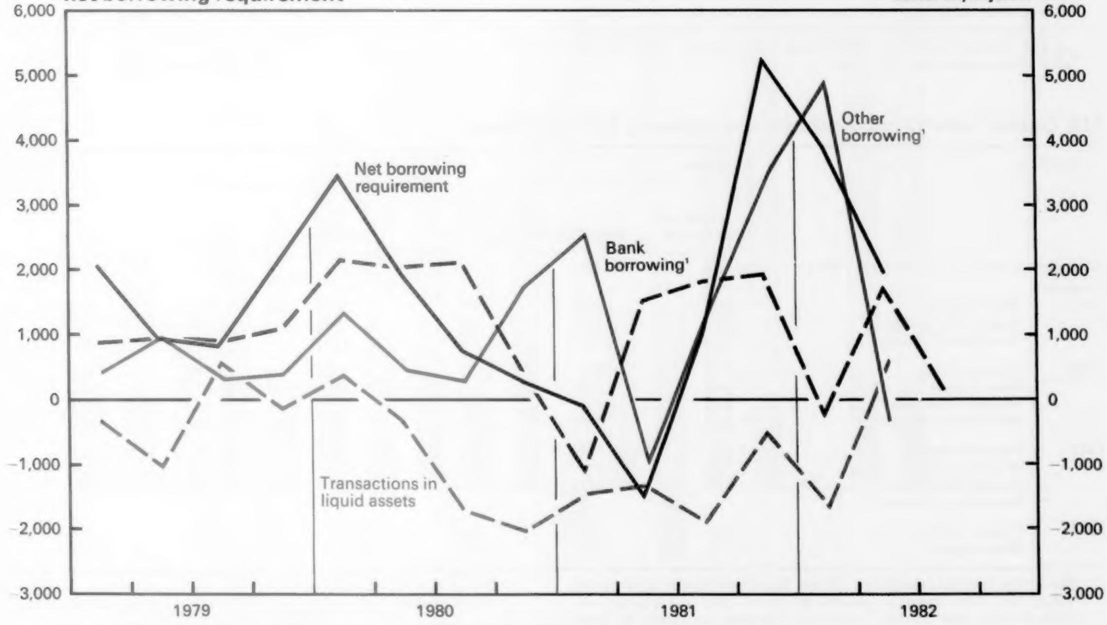
[5] The NBR seasonal adjustments include day-of-week adjustments the quarterly figures therefore do not always sum to the annual totals.

[6] Includes Bank of England Issue Department transactions in commercial bills.

Industrial and commercial companies capital account and financial surplus/deficits



Industrial and commercial companies net borrowing requirement



---

[1] Following the sign convention adopted for the net borrowing requirement, a surplus on the financial surplus/deficit is shown with a negative sign — a reverse of the sign convention used in the table.

UK Banks' lending[1] to UK residents

		£ million, seasonally adjusted[2]					
		Lending to public sector			Lending to private sector		
		Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions							
1976		356	— 89	445	3,329	3,070	259
1977		2,378	1,696	682	4,715	3,495	1,220
1978		— 289	123	— 412	5,858	4,839	1,019
1979		925	1,540	— 615	9,420	8,522	898
1980		1,662	2,374	— 712	10,874	9,562	1,282
1981		— 547	252	— 799	11,619	8,852	2,767
1977	*1*	590	87	503	989	535	454
	2	— 38	— 38	—	816	755	61
	3	938	689	249	1,229	1,143	86
	4	903	973	— 70	1,682	1,063	619
1978	*1*	— 109	120	— 229	918	850	68
	2	—1,592	—1,353	— 239	1,665	1,319	346
	3	302	362	— 60	1,537	1,199	338
	4	1,123	1,007	116	1,738	1,471	267
1979	*1*	— 966	— 804	— 162	2,636	2,502	134
	2	340	511	— 171	2,377	2,057	320
	3	485	636	— 151	2,100	1,993	107
	4	808	939	— 131	2,307	1,970	337
1980	*1*	— 392	— 220	— 172	2,894	2,661	233
	2	554	532	22	3,255	2,514	741
	3	— 285	119	— 404	3,424	3,155	269
	4	1,902	2,060	— 158	1,301	1,262	— 39
1981	*1*	1,218	1,142	76	375	— 52	427
	2	—1,054	— 293	— 761	3,250	3,435	— 185
	3	— 107	111	— 218	4,007	2,674	1,333
	4	— 441	— 545	104	3,764	2,572	1,192
1982	*1*	— 881	— 869	— 12	2,375	1,979	396
	2	—1,237	—1,233	— 4	4,318	4,114	204
	3	— 762	— 773	11	3,467	3,159	308
	4						

---

[1] UK banking sector: changes in assets. From the second quarter 1975 transactions have been entered as far as possible on a cash receipts/payments basis.

[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.

[3] For the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.

UK banks' advances and acceptances to UK residents[1]

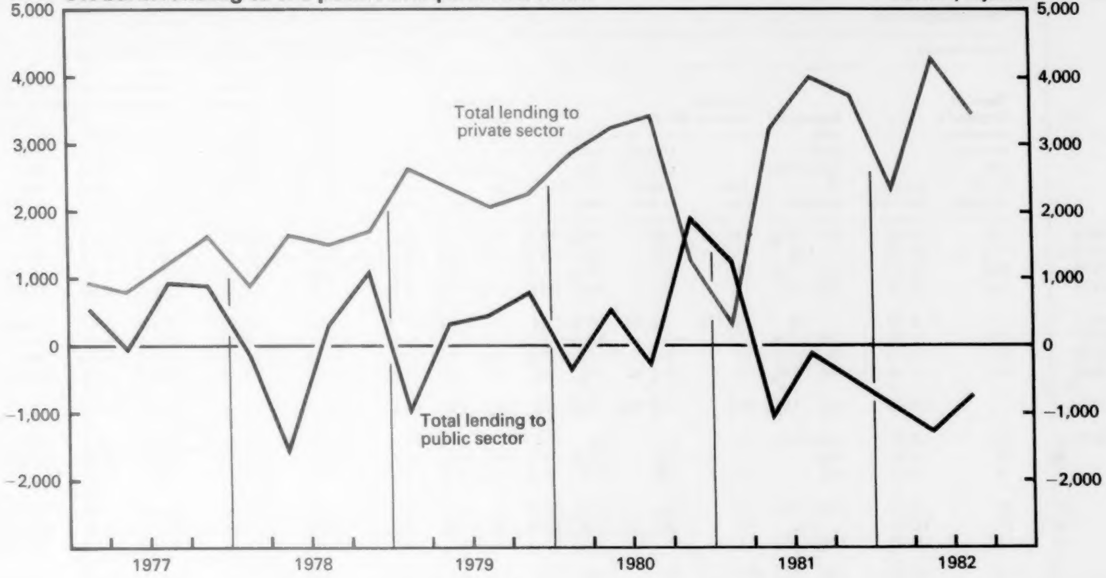
		£ million					
		Total advances and acceptances	Manufacturing	Other production	Financial	Services	Persons
Amounts outstanding (August 1982):		98,549	22,731	9,991	16,618	29,931	19,278
Changes							
1979	May–August	3,451	1,184	432	551	628	656
	August–November	2,681	541	181	248	1,228	483
	November–February	3,151	1,075	348	333	1,173	221
1980	February–May	2,818	912	411	382	699	415
	May–August	3,449	1,374	411	245	867	551
	August–November	153	—429	44	— 74	223	389
	November–February	1,628	352	—35	306	550	455
1981	February–May	1,351	—658	494	190	483	842
	May–August	3,354	417	363	547	818	1,209
	August–November	5,038	531	256	942	2,028	1,280
	November–February[2]	..	..	..	..	..	..
1982	February–May	5,355	781	316	794	1,782	1,683
	May–August	4,714	663	351	1,217	473	2,011

---

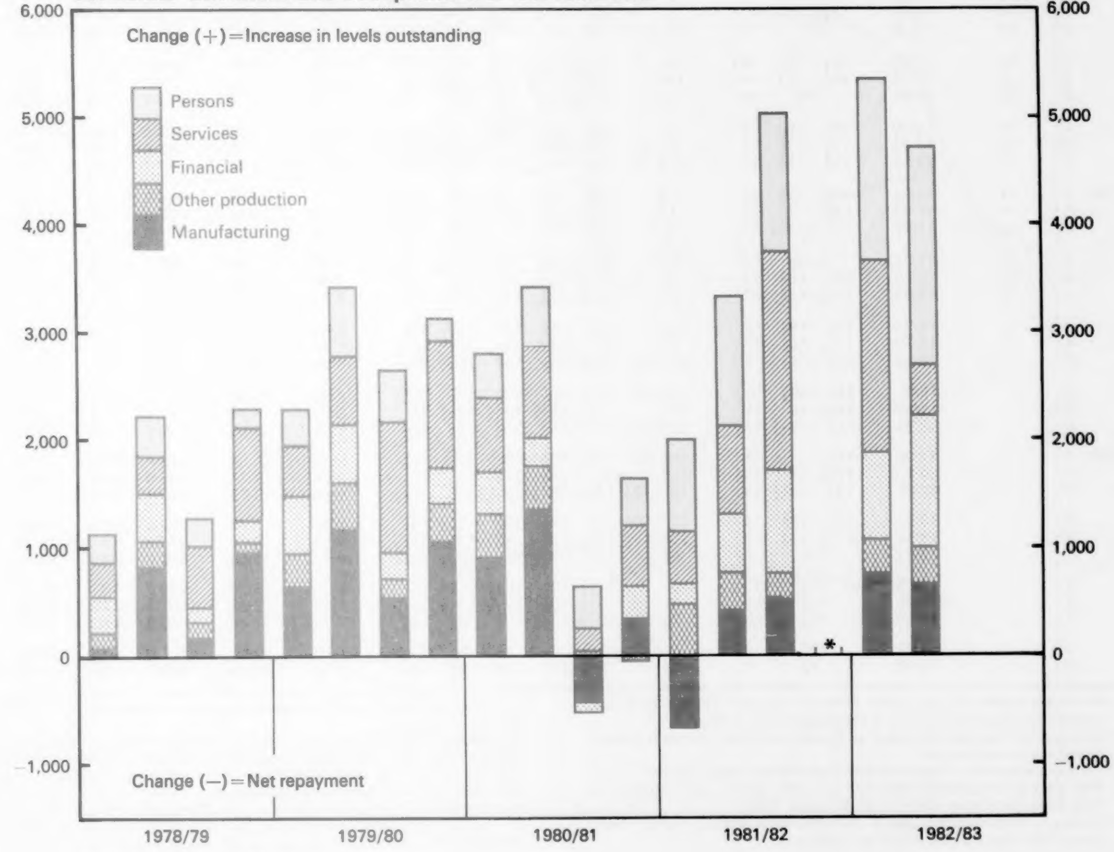
[1] For a more detailed breakdown of these figures see *Financial Statistics* Table 6.7. The analysis covers advances and acceptances in both sterling and foreign currencies provided by banks to their customers and therefore does not include funds placed through the specialised financial markets, such as the local authority money market or the finance company deposit market. Acceptances are not granted to persons.

[2] Due to the implementation of the new monetary sector, changes for the November 1981 – February 1982 period cannot be calculated.

UK bank lending to the public and private sectors



UK banks' advances and acceptances to UK residents



* See footnote [2] page 64

Interest rates, security prices and yields

Percentage rate

		Last Friday							Last working day		Average of working days			
					London clearing banks							*Financial Times* index of industrial ordinary shares		
												1 July 1935 = 100		
		Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	Base rate	Deposit account: 7 days' notice[4]	Inter-bank (3–month rate)[5]	Sterling certificates of deposit (3 months)	Euro-dollar 3-month rate	Building Societies Association recommended rate on shares[6]	British government securities: long dated[7] (20 years)	Price index	Dividend yield	Earnings yield[8]
1973		13	12·82	16 –16⅛	13	9½	16 1/16–16 3/16	15¾ –16	10 3/16	7·50	10·78	435·6	4·12	. .
1974		11½	11·30	13¼	12	9½	12½ –12 13/16	12⅝ –12¾	10 1/16	7·50	14·77	251·2	8·23	21·47
1975		11¼	10·93	11¼ –11⅜	11	7	11 1/16–11 3/16	11 –11⅛	5⅞	7·00	14·39	311·0	6·81	19·49
1976		14¼	13·98	14¾ –15	14	11	14⅛ –14⅜	14 1/16–14⅛	5 1/16	7·80	14·43	368·0	5·96	17·61
1977		7	6·39	6¾	6¾–7½	3½–4½	6 9/16– 6¾	6⅜ – 6 7/16	7 3/16	6·00	12·73	452·3	5·42	16·50
1978		12½	11·91	12⅜ –12½	12½	10	12 7/16–12⅝	12⅜ –12½	11 11/16	8·00	12·47	479·4	5·65	16·47
1979		17	16·49	16 15/16–17⅛	17	15	16 13/16–17 1/16	16 11/16–16⅞	14½	10·50	12·99	475·5	6·49	16·61
1980		14	13·58	14⅝ –14⅞	14	11½–12	14¾ –14⅞	14¾ –14⅞	17¾	10·50	13·79	464·5	7·62	18·14
1981		. .	15·39	15½ –15 11/16	14½	12¼–12½	15 9/16–15¾	15⅝ –15¾	13¾	9·75	14·75	518·5	6·23	12·12
1979	*J*	14	13·81	14 1/16–14⅛	14	11½	14 –14⅛	13 15/16–14 1/16	11 11/32	8·00	12·25	468·3	6·62	16·92
	A	14	13·80	14¼	14	11½	14 3/16–14 5/16	14 1/16–14¼	12 3/16	8·75	12·30	467·2	6·95	17·46
	S	14	13·82	14¼	14	11½	14⅛ –14 3/16	13 15/16–14⅛	12⅞	8·75	12·60	468·4	6·95	17·75
	O	14	13·94	14½ –14¾	14	11½	14 9/16–14 13/16	14½ –14⅝	15 13/32	8·75	13·16	465·4	7·13	17·55
	N	17	16·77	16⅞	17	15	16¾ –16 15/16	16⅝ –16¾	14 5/16	8·75	14·54	415·9	7·88	19·07
	D	17	16·49	16 15/16–17⅛	17	15	16 13/16–17 1/16	16 11/16–16⅞	14½	10·50	14·72	419·8	7·70	18·78
1980	*J*	17	16·39	17½ –17⅝	17	15	17¼ –17½	17⅛ –17 13/16	14 13/32	10·50	14·17	440·7	7·43	18·42
	F	17	16·80	18⅛ –18⅜	17	15	18 1/16–18¼	18 –18⅛	16 31/32	10·50	14·45	460·7	7·17	17·64
	M	17	16·97	18¾ –18⅞	17	15	18⅛ –18⅜	17 15/16–18 1/16	19 13/16	10·50	14·70	440·8	7·75	19·26
	A	17	16·73	17½ –17⅝	17	15	17¼ –17 7/16	17 1/16–17 5/16	13 13/16	10·50	14·27	435·5	8·04	19·73
	M	17	16·73	17⅛ –17¼	17	15	17 –17⅛	16⅞ –17 1/16	9¾	10·50	14·01	432·4	8·21	20·05
	J	17	16·32	17	17	15	16¾ –17	16 11/16–16⅞	9¾	10·50	13·78	451·2	7·96	19·20
	J	16	14·98	15½ –15⅝	16	14	15 5/16–15 9/16	15¼ –15⅜	9 13/16	10·50	13·07	488·5	7·42	17·96
	A	16	15·53	16⅝ –16¾	16	14	16⅝ –16 13/16	16 7/16–16 11/16	12½	10·50	13·58	484·9	7·48	17·68
	S	16	14·86	15⅞	16	14	15 11/16–15⅞	15⅝ –15¾	13 13/16	10·50	13·38	491·7	7·45	17·28
	O	16	14·90	16⅝ –16¾	16	14	16¾ –17	16 9/16–16 11/16	15¼	10·50	13·12	483·8	7·59	17·14
	N	14	13·38	14½ –14⅝	14	11½–12	14 7/16–14 11/16	14 5/16–14 7/16	18 5/16	10·50	13·22	493·4	7·35	16·43
	D	14	13·58	14⅝ –14⅞	14	11½–12	14¾ –14⅞	14¾ –14⅞	17¾	10·50	13·67	470·1	7·56	16·93
1981	*J*	14	13·02	13 13/16–13⅞	14	11½	13⅝ –13 13/16	13½ –13⅝	17 7/16	9·25	13·96	459·6	7·78	17·44
	F	14	11·93	12⅝ –12¾	14	11½	12 7/16–12 11/16	12⅛ –12⅜	16 11/16	9·25	13·89	487·0	7·35	16·38
	M	12	11·87	12¾ –12 13/16	12	9	12⅝ –12¾	12½ –12⅝	14⅞	9·25	13·68	497·8	6·78	14·39
	A	12	11·57	12 5/16	12	9	12 3/16–12⅜	12⅛ –12 3/16	16 31/32	8·50	13·64	559·2	5·88	11·57
	M	12	11·70	12½ –12⅝	12	9	12 7/16–12 9/16	12½ –12⅝	17¾	8·50	14·31	557·8	5·91	11·59
	J	12	12·33	12 7/16–12⅝	12	9	12 7/16–12⅝	12⅜ –12½	17 11/16	8·50	14·57	545·0	5·92	11·73
	J	12	14·25	14⅝ –14¾	12	9	14⅝ –14¾	14½ –14 9/16	18¾	8·50	15·14	528·2	6·01	11·70
	A	. .	13·70	14 1/16–14⅛	12	9	14 –14 3/16	13 13/16–13 15/16	18 11/16	8·50	15·09	554·4	5·51	9·83
	S	. .	14·98	15⅝ –15¾	14	11–11½	15 5/16–16⅛	15⅜ –15 7/16	17⅞	8·50	15·59	525·0	5·76	9·99
	O	. .	16·61	16½ –16⅝	15½	13½–14	16 5/16–16⅝	16¼ –16⅜	15 31/32	8·50	15·95	474·4	6·27	10·85
	N	. .	14·30	14 11/16–15	15	13	14 11/16–14 15/16	14 11/16–14 13/16	12	9·75	15·44	511·1	5·86	9·92
	D	. .	15·39	15½ –15 11/16	14½	12¼–12½	15 9/16–15¾	15⅝ –15¾	13¾	9·75	15·65	522·8	5·76	10·05
1982	*J*	. .	13·99	14½	14	11½–12	14 7/16–14⅝	14 3/16–14 5/16	14⅝	9·75	15·58	543·4	5·57	9·83
	F	. .	14·10	13 13/16–14	13½	11	14 –14⅛	13⅞ –14	15	9·75	14·74	565·6	5·43	9·62
	M	. .	12·88	13⅝ –13 11/16	13	10 –10¼	13 9/16–13 11/16	13 9/16–13⅝	15 15/32	9·75	13·72	560·4	5·63	10·57
	A	. .	13·32	13⅝ –13¾	13	10 –10¼	13⅝ –13⅞	13⅝ –13 11/16	14⅞	8·75	13·96	563·6	5·57	11·22
	M	. .	13·16	13 5/16–13⅜	13	10 –10¼	13 5/16–13½	13⅜ –13⅝	14 7/16	8·75	13·69	578·8	5·41	11·25
	J	. .	12·63	13⅛	12½	9½	13 1/16–13 3/16	13 –13 1/16	15 21/32	8·75	13·56	570·0	5·49	11·45
	J	. .	11·53	11⅞	12	9	11 13/16–12	11 11/16–11¾	13	8·75	13·20	559·7	5·47	11·51
	A	. .	10·25	10¾	11	8	10 11/16–10⅞	10 9/16–10 11/16	11 9/16	8·75	12·23	561·1	5·28	11·58
	S	. .	10·33	10⅞	10½	7¼– 7½	10 13/16–10 15/16	10⅝ –10¾	11½	7·75	11·40	580·6	5·02	11·02
	O	. .	8·92	10⅜	9½	6	9 9/16– 9 11/16	9⅜ – 9½	10 13/32	7·75	10·50	602·0	4·76	10·54
	N	. .	8·90	9⅞	9	5½	9 11/16–10⅛	9⅝ – 9¾	9·87	7·75	10·64	618·7	4·87	10·44

---

[1] Previously known as Bank Rate. From 20 August 1981 the Bank has suspended the announcement of Minimum Lending Rate.

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

[3] For a minimum term of 3 months and thereafter at 7 days' notice.

[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.

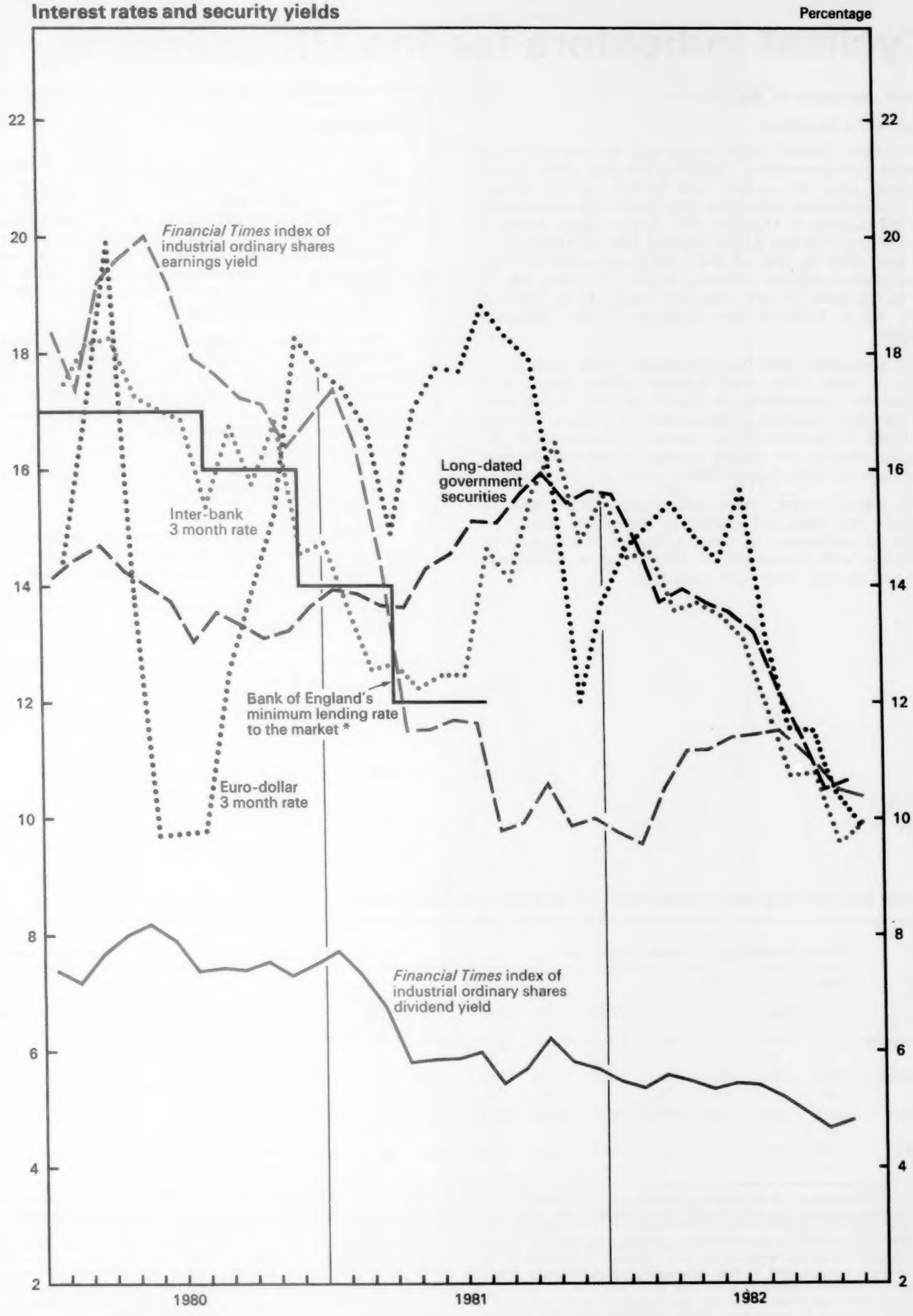
[5] Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 a.m.

[6] Net of income tax where this is paid by societies at the agreed composite rate.

[7] Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (3 a week); from January 1982 average of working days. Calculated gross redemption yields – see *Financial Statistics Explanatory handbook.*

[8] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Explanatory handbook.* No meaningful average for 1973 is therefore available.

Interest rates and security yields



*See footnote¹, on page 66

Cyclical indicators for the UK economy

Recent movements of the indicators

(Data to 13 December)

The longer leading index continued its rise of recent months into November. Interest rates and share prices, averaged over the month, had further upward effects. The shorter leading index rose between June and September but fell slightly in October. The recent higher levels of new cars registrations had an upward effect in October but this was offset by falls in new orders and expected raw material stock changes reported by the CBI survey and by the falling back of new consumer credit from the high levels which followed the abolition of hire purchase controls.

The coincident index has continued to rise from a low point in May 1981 with upward effects from most components, particularly, in recent months, retail sales and the output measure of gross domestic product. Because the trend in manufacturing output in recent years has been downwards, the smaller changes in output this year have made an upward contribution to the composite index.

The lagging index, which had changed little between February and May, fell slightly to September. Based on partial information, it rose again in October and November with improvements over trend in unemployment (on the new basis) and vacancies.

Definitions[1]

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude, and inversion where appropriate.

Values and timing characteristics of the composite indices

	Most recent values[2] January 1975 =100													Lead (−) or lag (+) in months relative to reference cycle dates		
	1981		1982													
	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Mean	Earliest	Latest
Longer leading	110·3 *5*	110·1 *5*	109·7 *5*	109·3 *5*	110·5 *5*	110·7 *5*	110·5 *5*	110·4 *5*	110·5 *4*	111·9 *4*	113·9 *4*	115·8 *3*	118·3 *2*	−13	−21	− 7
Shorter leading	108·0 *5*	108·7 *5*	109·9 *5*	111·1 *5*	112·5 *5*	113·5 *5*	113·4 *5*	113·1 *5*	114·4 *4*	115·6 *4*	117·2 *4*	117·0 *2*		− 5	−12	—
Coincident ..	99·0 *7*	99·3 *7*	99·8 *7*	100·5 *7*	100·7 *7*	100·9 *7*	101·0 *7*	101·4 *7*	102·2 *5*	103·0 *5*	103·4 *5*	103·7 *3*		+ 1	− 1	+ 6
Lagging ..	87·4 *5*	87·9 *5*	88·1 *5*	88·7 *5*	88·7 *5*	88·8 *5*	88·8 *5*	88·3 *5*	88·1 *5*	88·0 *4*	87·9 *4*	88·7 *2*	89·2 *2*	+10	+ 6	+17

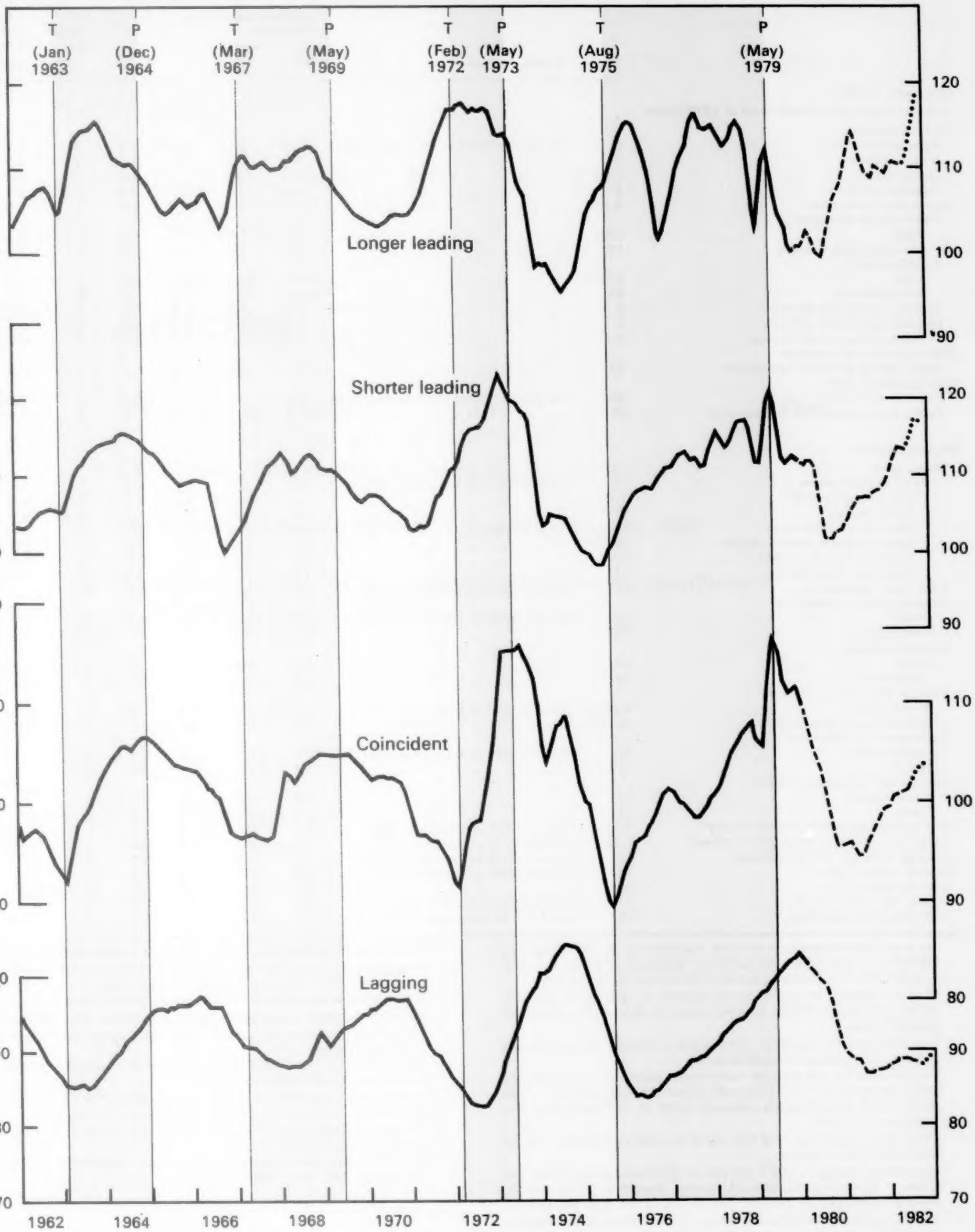
---

[1] A full explanation of the methodology used is given in *Economic Trends*, No. 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further ten pages showing individual indicator series.

[2] In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO. 01-233 7661.

Cyclical indicators

Composite indices of indicator groups. January 1975 = 100



Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1975 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1968 to 1st quarter 1981	1·2	0·8	0·7	1·1	2	0·5
Income based	6	,, ,, ,, ,, ,, ,, ,,	1·2	0·9	0·8	1·1	2	0·3
Output based	6,28	,, ,, ,, ,, 2nd ,, ,,	1·0	0·6	0·7	0·9	1	0·9
Average estimate	6	,, ,, ,, ,, 1st ,, ,,	1·0	0·6	0·7	0·9	1	0·9
Consumers' expenditure	8,10	,, ,, ,, ,, 2nd ,, ,,	1·2	0·8	0·8	0·9	1	0·9
Fixed capital formation								
Total	8,16	,, ,, ,, ,, ,, ,, ,,	2·1	1·6	1·1	1·5	2	0·6
Manufacturing industry	18	,, ,, ,, ,, ,, ,, ,,	3·7	2·4	2·4	1·0	2	0·3
Stockbuilding[2]								
Total	8,22	,, ,, ,, ,, ,, ,, ,,	*211·5*	*135·7*	*128·2*	1·1	2	0·5
Manufacturing	22	,, ,, ,, ,, ,, ,, ,,	*147·0*	*93·1*	*81·6*	1·1	2	0·5
Exports: goods and services	8	,, ,, ,, ,, 4th ,, 1980	3·3	2·6	1·8	1·4	2	0·8
Imports: goods and services	8	,, ,, ,, ,, ,, ,, ,,	2·8	2·2	2·0	1·1	2	0·4
Personal disposable income	10	,, ,, ,, ,, 2nd ,, 1981	1·8	1·1	1·3	0·9	1	0·9
Other national income series								
Gross trading profits of companies	60	,, ,, ,, ,, ,, ,, ,,	5·4	2·7	4·3	0·6	1	0·6
Other quarterly series								
Construction output	30	1st quarter 1955 to 2nd quarter 1981	2·3	1·2	1·6	0·8	1	0·8
Public sector borrowing requirement[6]	56	,, ,, 1971 ,, ,, ,, ,,	*602·0*	*447·2*	*256·0*	1·8	2	0·9
Monthly series								
Retail sales								
Total: current prices	12	January 1971 to December 1981	1·7	1·3	1·1	1·2	2	0·6
Total: constant prices	5,12	,, ,, ,, ,, ,,	1·4	1·3	0·4	3·8	5	0·9
Food retailers	12	,, ,, ,, ,, ,,	0·7	0·6	0·3	2·4	3	0·9
Mixed retail businesses	12	,, ,, ,, ,, ,,	1·4	1·2	0·4	2·9	4	0·8
Clothing and footwear retailers	12	,, ,, ,, ,, ,,	2·0	1·9	0·5	3·6	4	0·9
Household goods retailers	12	,, ,, ,, ,, ,,	1·9	1·6	0·8	2·1	3	0·8
Other non-food retailers	12	,, ,, ,, ,, ,,	1·2	1·0	0·4	2·4	3	0·9
Cars: new registrations	12	October 1974 to December 1981	9·1	9·1	1·1	8·7	6	
Housing: public authorities[4]								
Starts	20	January 1956 to December 1981	12·3	12·2	2·0	6·1	6	
Completions	20	,, ,, ,, ,, ,,	8·0	7·9	1·3	6·1	6	1·0
Housing: private								
Starts	20	,, ,, ,, ,, ,,	9·1	8·8	2·6	3·4	4	0·9
Completions	20	,, ,, ,, ,, ,,	6·2	6·2	1·0	6·2	6	1·0
Index of industrial production:								
All industries	5,26,28	January 1973 to September 1982	1·0	0·9	0·5	1·9	3	0·8
Manufacturing industries	26, 28	,, ,, ,, ,, ,,	1·3	1·2	0·5	2·3	3	0·9
Passenger car production:								
Home market	32	January 1968 to December 1981	12·9	12·6	2·0	6·3	6	
Export	32	,, ,, ,, ,, ,,	12·8	12·3	2·1	5·9	6	
Commercial vehicle production:								
Home market	32	,, ,, ,, ,, ,,	10·6	9·9	2·1	4·7	6	
Export	32	,, ,, ,, ,, ,,	10·7	10·2	2·2	4·6	6	1·0
Unemployed excluding school-leavers[5]	5,36	January 1970 to December 1981	*23·2*	*5·4*	*22·3*	0·2	1	0·2
Vacancies notified to employment offices[5]	5,36	January 1970 to December 1981	*6·9*	*2·6*	*6·3*	0·4	1	0·4
Average earnings: whole economy	40	January 1976 to December 1980	1·1	0·2	1·1	0·2	1	0·2
Exports: value, f.o.b.[7]	48	January 1963 to February 1981	4·8	4·5	1·3	3·5	4	0·9
Imports: value, f.o.b.[7]	48	,, ,, ,, ,, ,,	4·5	4·2	1·4	2·9	4	0·7
Money stock (sterling M_3)[3]	5,52	July 1971 to December 1977	1·3	0·6	1·2	0·5	1	0·5
Domestic credit expansion[3]	54	July 1971 to September 1977	94·1	73·3	17·9	4·1	5	1·0

---

[1] For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No. 226, August 1972. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes [2], [3], [5] and [6].

$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

[6] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in units of £ million.

[7] The figures have been updated as described in an article in *Economic Trends*, No. 320, June 1980.

Articles

Title **Page**

UK balance of payments in the third quarter of 1982 72

The effects of taxes and benefits on household income, 1981 .. 94

International comparisons of taxes and social security contributions in 18 OECD countries, 1970–80 127

United Kingdom balance of payments in the third quarter of 1982

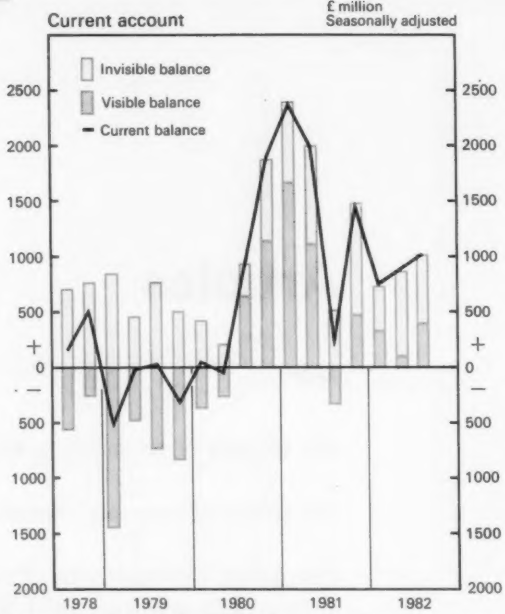
Summary

There was a surplus on current account (seasonally adjusted) of £1·0 billion in the third quarter slightly higher than the surpluses in both the first and second quarters of 1982.

The surplus of £0·4 billion on *visible trade* (seasonally adjusted) in the third quarter follows a surplus of £0·1 billion in the previous quarter. This reflects an increase of £0·4 billion in the surplus on trade in oil partly offset by an increase in the non-oil trade deficit. Compared with the previous quarter, exports fell more than imports in volume terms.

There was a surplus of £0·6 billion on *invisibles* (seasonally adjusted) in the third quarter, slightly below both the previous quarter and the quarterly average for 1981. The overall surplus on services and interest, profits and dividends of the private sector fell back by £0·2 billion in the third quarter. This was mainly due to the balance on interest, profits and dividends falling back from the substantial surplus which emerged in the second quarter. Profits due to overseas parent companies on their investments in the United Kingdom increased in the third quarter after moving erratically in recent quarters. Lower interest rates and margins have tended to reduce interest flows to the banks.

In the third quarter there was an outflow of *investment and other capital transactions* (not seasonally adjusted and including unidentified transactions) of £0·9 billion, much the same as in the previous quarter. There were also additions to official reserves of £0·3 billion. The outflow of private investment overseas continued at a substantial, though somewhat lower, level than at the beginning of 1982. Banks' external capital flows also remained substantial and continued the trends of recent quarters. In the second quarter there had, exceptionally, been net repayments of UK banks' external sterling lending but in the third quarter new borrowing substantially exceeded repayments and there was an outflow of £1·3 billion; this continued again the pattern, since the abolition of exchange control, of substantial outflows. Foreign currency borrowing and lending by UK banks resulted in a net inflow of £1·2 billion continuing the substantial net inflows recorded during the previous three quarters. Sterling deposits with UK banks increased by £1·3 billion, again following the trend of recent quarters.



Summary balance of payments

TABLE A

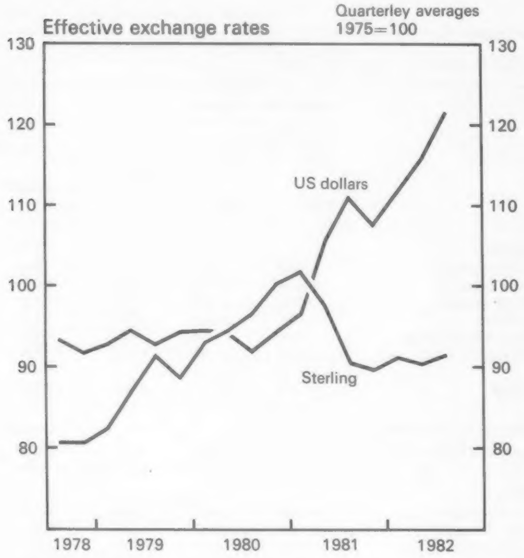
£ million

			1981				1982		
	1980	1981	1st qtr	2nd qtr	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr
					Seasonally adjusted				
Visible trade (balance)	+1,185	+2,979	+1,677	+1,132	− 320	+ 490	+ 323	+ 125	+ 401
Invisibles (balance):									
Services	+4,060	+4,113	+1,068	+1,055	+ 990	+1,000	+1,089	+1,005	+ 973
Interest, profits and dividends ..	− 273	+1,011	+ 207	+ 381	+ 170	+ 253	− 185	+ 408	+ 164
Transfers	−2,107	−1,981	− 535	− 565	− 635	− 246	− 494	− 651	− 533
Total	+1,680	+3,143	+ 740	+ 871	+ 525	+1,007	+ 410	+ 762	+ 604
Current balance	+2,865	+6,122	+2,417	+2,003	+ 205	+1,497	+ 733	+ 887	+1,005
					Not seasonally adjusted				
Current balance	+2,865	+6,122	+2,439	+1,570	+ 399	+1,714	+ 941	+ 387	+1,186
Investment and other capital transactions	−1,867	−7,138	−4,022	−1,883	−1,058	− 175	− 146	+ 85	− 334
Allocation of SDRs	+ 180	+ 158	+ 158	—	—	—	—	—	—
Official financing:									
Official reserves (drawings on, +: additions to, −)	− 291	+2,419	− 319	+1,448	+1,167	+ 123	+ 11	+ 699	− 288
Other official financing	−1,081	−1,732	—	−1,283	− 458	+ 9	+ 20	− 38	+ 41
Balancing item	+ 194	+ 171	+1,744	+ 148	− 50	−1,671	− 826	−1,133	− 605

DETAIL

The exchange rate

Sterling traded quietly over most of the quarter, the rate against the dollar reflecting that currency's varying fortunes. Over the quarter as a whole, sterling fell against the dollar but was little changed against the EMS currencies and in effective terms. However, the average effective rate for the quarter rose to 91·5 compared with an average of 90·3 over the previous quarter (average 1975 = 100) reflecting sterling's gain in June over most non-dollar currencies.



Visible trade

In the third quarter there was a surplus of £401 million on visible trade, compared with a surplus of £125 million in the second quarter. The improvement reflects an increase of over £370 million in the oil surplus, partly offset by a deterioration in the non-oil trade deficit of nearly £100 million. Between the second and third quarters the deficit on trade in consumer goods (except cars)[1] increased by over £100 million and the surplus on trade in intermediate goods[1] fell by over £100 million.

Exports in the third quarter were valued at £13,666 million, slightly down on the previous quarter. Exports of oil rose by over £500 million but this was offset by lower deliveries of all other major commodity groups. The volume of exports fell by some 5 per cent between the second and third quarters. Trends in export volumes are difficult to assess at present as the recent data have fluctuated more than usual; however, it now seems the underlying level has fallen since the Spring.

Imports were valued at £13,265 million in the third quarter compared with £13,620 million in the second quarter, a fall of over 2½ per cent. Increases in imports of oil and consumer goods (excluding cars)[1] rose but these were more than offset by falls in other commodity groups. In volume terms, imports were over 3 per cent lower than the high second quarter figure but the underlying level so far during 1982 has been little changed.

The terms of trade (excluding oil) rose by ½ per cent in the third quarter as the unit value index for exports rose more than for imports.

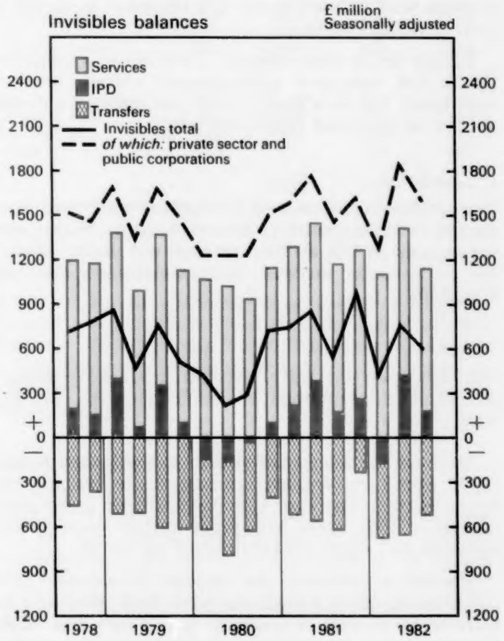
Visible trade

TABLE B (See also Appendix Table 2)

	Seasonally adjusted			
			1982	
	1980	1981	2nd qtr	3rd qtr
Value (£ million)				
Exports	47,396	51,071	13,745	13,666
Imports	46,211	48,092	13,620	13,265
Visible balance . .	+1,185	+2,979	+ 125	+ 401
Volume (1975 = 100)				
Exports	128·0	126·8	130·7	124·3
Imports	119·1	119·1	129·1	125·1

Invisibles

The balance on invisibles fell back to a surplus of £0·6 billion in the third quarter. The size of the invisibles surplus has been varying erratically in recent quarters, the irregularity of private sector IPD and government transfers being particularly marked.



---

[1] For details see the latest edition of the monthly balance of payments Press Notice issued by the Department of Trade or the *Monthly Review of External Trade Statistics*.

Invisibles

TABLE C (See also Appendix Table 3)

	Seasonally adjusted			
	£ million			
			1982	
	1980	1981	2nd qtr	3rd qtr
Credits	25,817	29,342	7,897	7,858
Debits	24,137	26,199	7,135	7,254
Balance	+1,680	+3,143	+ 762	+ 604
of which:				
Private sector and public corporations: services and IPD	+5,189	+6,410	+1,852	+1,613
General government transactions and private transfers	−3,509	−3,267	−1,090	−1,009

Services

The balance on services changed very little in the third quarter as total credits and debits remained steady in value terms but fell slightly in volume terms.

Sea transport

Provisional estimates of sea transport transactions show a slight decrease in the overall deficit in the third quarter as the surplus on tankers remained steady while the deficit on dry-cargo shipping decreased slightly.

Dry-cargo debits and credits both decreased; all components were reduced except UK residents' passenger fares paid to foreign operators.

Tanker debits were reduced as a result of a considerable fall in UK operators' disbursements abroad; credits too were lower, but to a lesser extent, and reflected a decline in charter earnings and freight receipts.

Civil aviation

The surplus on *civil aviation* fell further in the third quarter, the rise in debits exceeding the rise in credits. Within credits, the increase in UK airlines' revenue was partly offset by a fall in overseas airlines' disbursements in the United Kingdom.

Travel

The deficit on the travel account increased between the second and third quarters; credits fell and debits marginally rose.

Although the number of visitors to the United Kingdom fell by over 8 per cent, average expenditure rose and credits fell by less than 2 per cent. Compared with the corresponding quarter of 1981, there were fewer tourists from European countries and more from the rest of the world.

The fall of about 1 per cent in the number of UK residents travelling abroad was more than offset by a small increase in average expenditure and debits rose slightly. Compared with the same period of last year, the continuing increase in the number of UK visitors going to European countries exceeded the decline in the number travelling to the rest of the world.

Government services

The deficit on government services increased, partly reflecting an unusual movement in the balance of receipts and payments associated with NATO.

Financial and other services

The increase between the second and third quarters in the surplus on financial and other services reflected a rise in net insurance earnings.

Services

TABLE D (See also Appendix Table 4)

	Seasonally adjusted			
	£ million			
			1982	
	1980	1981	2nd qtr	3rd qtr
Credits				
Government	400	461	119	69
Sea transport	3,816	3,784	948	899
Civil aviation	2,210	2,359	600	614
Travel	2,961	2,999	855	840
Financial services	1,601	1,954	531	573
Other services	4,774	5,194	1,412	1,428
Total	15,762	16,751	4,465	4,423
Volume: total services credits (1975 = 100)	105·8	99·4	98·3	97·5
Debits				
Government	1,188	1,075	343	326
Sea transport	3,681	3,887	1,026	968
Civil aviation	1,815	1,922	517	541
Travel	2,738	3,285	896	902
Other services	2,280	2,469	678	713
Total	11,702	12,638	3,460	3,450
Volume: total services debits (1975 = 100)	112·6	111·1	111·0	109·6
Balance	+4,060	+4,113	+1,005	+ 973
of which:				
Private sector and public corporations	+4,848	+4,727	+1,229	+1,230
General government	− 788	− 614	− 224	− 257

Interest, profits and dividends

The surplus on interest, profits and dividends was £164 million in the third quarter, about £250 million lower than in the second quarter. Credits fell by about 5 per cent with lower earnings on direct investment and by UK banks, while debits rose by a similar amount because of a general recovery in investment earnings due abroad.

Oil companies' earnings

UK oil companies' earnings from overseas recovered strongly in the third quarter. This largely reflected production activities and an improvement in profits on downstream operations, particularly refining and marketing in the USA, coupled with the strengthening of the dollar against sterling. In other areas, notably chemicals, losses continued. Overseas oil companies' earnings in the United

Kingdom also improved with the increase concentrated in UK Continental Shelf earnings which recovered much of the £100 million drop in the second quarter. Onshore earnings, though considerably better than in the early part of the year, continued to run at a relatively low level. The sterling cost of crude oil to UK refineries has been adversely affected throughout the year by the decline in the exchange rate against the dollar.

Interest, profits and dividends

TABLE E (See also Appendix Table 5)

	Seasonally adjusted			
	£ million			
			1982	
	1980	1981	2nd qtr	3rd qtr
Credits				
Direct[1]	2,914	3,597	935	878
Portfolio	679	796	224	238
Export credit and £ lending by UK banks	970	1,343	421	403
Foreign currency borrowing and lending by UK banks (balance)	352	1,010	484	404
Bank deposits and lending overseas	432	584	152	133
Other	2,942	2,759	556	589
Total	8,289	10,089	2,771	2,645
Debits				
Direct[1]	1,982	2,106	534	626
Oil companies	2,965	2,774	601	632
Portfolio	899	971	249	271
Foreign currency borrowing by general government	518	489	119	87
Sterling liabilities	1,529	1,902	605	629
Other	669	836	255	236
Total	8,562	9,078	2,363	2,481
Balance	− 273	+1,011	+ 408	+ 164
of which:				
Private sector and public corporations	+ 341	+1,683	+ 623	+ 383
General government	− 614	− 672	− 215	− 219

[1] Excluding earnings of oil companies.

Other companies' direct investment earnings

UK companies' earnings from their overseas affiliates fell back in the third quarter, having moved erratically over the past year. Earnings from the USA, the source of a large part of direct investment credits, are likely to have been influenced by the slower growth of the US economy in the third quarter. On the other hand, the weakening exchange rate against the dollar will have offset slower growth to some extent.

Direct investment earnings due to overseas parent companies partly recovered from the second quarter fall but have shown some signs of a downward trend over the past year following the sharp improvement in mid-1981.

Other IPD credits

UK banks' net interest receipts from borrowing and lending in foreign currencies fell back in the third quarter, but at £404 million were still well above those of earlier quarters. There was some indication of a narrowing of margins between borrowing and lending rates as well as a more rapid rise in external liabilities than in claims. Interest receipts from sterling lending also fell in the third quarter, probably reflecting the downward movement in interest rates generally.

Other IPD debits

The fall in both sterling and foreign currency interest rates was reflected in a variety of lower interest payments due to overseas residents, including interest on UK private and public sector borrowing from banks overseas. Interest payable by UK banks on sterling liabilities to overseas residents continued to rise, however, as the increase in the level of such liabilities more than offset lower interest rates. There was also a rise in interest payments on gilts, reflecting some investment movement by overseas residents into higher yielding stocks.

Transfers

TABLE F (See also Appendix Table 6)

	Seasonally adjusted			
	£ million			
			1982	
	1980	1981	2nd qtr	3rd qtr
Credits				
Private	808	844	257	266
Government – EC:				
Agricultural Fund	550	683	102	186
Social Fund	95	107	9	48
Regional Development Fund	173	145	26	26
Budget refunds	98	693	254	254
Other	42	30	13	10
Total government	958	1,658	404	524
Debits				
Private	1,083	1,119	299	303
Government – EC	1,783	2,188	730	755
–Bilateral aid	537	604	123	117
–Other	470	572	160	148
Balance	−2,107	−1,981	− 651	− 533

Government transfers

There was a deficit on government transfers of £496 million in the third quarter, much lower than the deficit of £609 million in the second quarter but well above the average for 1981. The improvement mainly reflects increased receipts from the European Agricultural Guidance and Guarantee Fund and Social Fund.

Investment and other capital transactions

There was an identified net outflow of £0·3 billion in investment and other capital in the third quarter, somewhat less than in the first quarter on the corresponding types of transactions, after a net inflow of £0·2 billion in the second quarter. Full information on UK residents' transactions with banks overseas in the third quarter is not available at this stage.

A major reason for the change between quarters was the pattern of *UK banks' external sterling lending*, other than UK export credit. There had been net repayments of £0·2 billion to the United Kingdom in the second quarter,

Investment and other capital transactions

TABLE G (See also Appendix Tables 7 to 12)

	Not seasonally adjusted			
	£ million			
			1982	
	1980	1981	2nd qtr	3rd qtr
Overseas investment in:				
UK public sector ..	+ 589	+ 188	− 106	—
UK private sector ..	+4,654	+3,168	+ 710	+ 694
UK private investment overseas	−8,204	−10,597	−2,313	−2,191
Official long-term capital ..	− 91	− 336	− 23	− 2
Trade credit	−1,170	− 884	− 196	− 352
Foreign currency borrowing or lending abroad by UK banks	+2,018	+1,404	+ 535	+1,179
Changes in external £ liabilities	+3,820	+2,747	+1,273	+1,213
External £ lending by UK banks[1]	−2,500	−2,943	+ 208	−1,337
Other external borrowing or lending	− 766	+ 36	+ 36	+ 313[2]
Other transactions ..	− 217	+ 80	− 39	+ 150
Total investment and other capital transactions ..	−1,867	−7,138	+ 85	− 334

[1] Excluding credit for UK exports.

[2] See footnote to Appendix Table 7.

the first since the abolition of exchange controls, but net lending was resumed in the third quarter with an outflow of £1·3 billion. This included a further substantial rise in acceptance credits.

On the other hand, *UK banks' foreign currency borrowing and lending* partly offset these sterling movements, a lower net inflow of £0·5 billion in the second quarter being followed by a larger one, of £1·2 billion, in the third quarter. Part of this inflow financed increases in banks' foreign currency assets (included as 'investments' and 'export credit' elsewhere in the balance of payments) and part appears to have been switched into sterling lending, particularly to UK residents. The gross increases in foreign currency assets and liabilities were particularly large in the third quarter.

There were further substantial inflows, of £1·2 billion, to *sterling liabilities*. Private balances (mainly non-banks') accounted for about £1·0 billion of the inflow. The increase of £0·2 billion in official holdings offset the fall in the previous quarter and included a net disinvestment of £0·2 billion in British government stocks.

Investment in the United Kingdom improved, with a net inflow of £0·7 billion in the third quarter, all of it directed to the private sector. But this private investment was still less than on average in recent years. Direct investment continued to move erratically, with very low share acquisition in the third quarter and hence only a partial recovery from the second quarter's fall; portfolio investment in UK companies remained weak. Oil companies' investment was lower both onshore and offshore, with dividend payments reducing the level of reinvested profits; the lower offshore investment reflected in part a change in sources of finance for investment in the UK Continental Shelf.

UK private investment overseas was slightly lower in the third quarter with a recovery in investment by oil companies being offset by lower net direct and portfolio investment. The continuing low level of direct investment reflected some substantial disinvestment in the third quarter including that by Harrisons and Crosfield in Malaysia. Portfolio investment overseas, though still substantial, appears to have been slightly lower continuing the second quarter's fall but information is incomplete and estimates are no more than tentative at this stage.

Details of other capital transactions in the third quarter are also incomplete. Second quarter information on *UK private residents' transactions with banks overseas,* which have just become available, shows a small net outflow from the United Kingdom, with higher deposits more than offsetting higher borrowing, compared with a net inflow of £0·4 billion in the first quarter when there was a substantial rundown in deposits.

UK Continental Shelf oil and gas programme

TABLE H (See also Appendix Table 13)

	Not seasonally adjusted			
			1982	
	1980	1981	2nd qtr	3rd qtr
Volume of sales				
Gas (billion cubic metres)	36·4	35·5	6·6	5·1
Oil (million tonnes) ..	79·2	89·6	25·8	25·9
	£ million			
Value of sales				
Gas	647	843	191	138
Oil	8,851	12,341	3,421	3,729
Balance of payments entries				
Imports of goods ..	− 144	− 377	− 78	− 142
Imports *less* exports of services	− 469	− 561	− 152	− 181
IPD due abroad ..	−2,215	−2,351	− 544	− 611
Overseas investment in UKCS	+ 841	+1,661	+ 135	+ 290

See footnotes to Appendix Table 13.

UK Continental Shelf oil and gas programme

The volume of oil production reached a new record daily rate in September but total sales in the third quarter as a whole were the same as in the second quarter. However, the value of sales was about 9 per cent up partly reflecting the strengthening of the dollar throughout the quarter. Company profits due to overseas parents were higher in response to increased production levels and exchange rate effects. However, investment from overseas was rather low as a result of the changing pattern of North Sea financing. The only factor tending to increase total inflows was renewed foreign currency borrowing from UK banks in the third quarter, following net repayments in the second.

Central Statistical Office

APPENDIX CONTENTS

	Annual figures from	Quarterly figures from	Table
GENERAL BALANCE OF PAYMENTS			
Summary	1971	1974	1
VISIBLE TRADE			
Visible trade in the balance of payments	1971	1974	2
INVISIBLES			
Summary	1971	1974	3
Services	1974	1978	4
Interest, profits and dividends	1974	1978	5
Transfers	1974	1978	6
INVESTMENT AND OTHER CAPITAL TRANSACTIONS			
Summary	1971	1974	7
Overseas investment in UK	1976	1979	8
UK private investment overseas	1976	1979	9
Official long-term capital	1976	1979	10
Import and export credit	1976	1979	11
Other transactions	1976	1979	12
UK CONTINENTAL SHELF OIL AND GAS			
UK Continental Shelf oil and gas programme	1976	1979	13
OFFICIAL FINANCING			
Summary	1976	1979	14
ASSETS AND LIABILITIES			
External liabilities and claims of UK monetary sector in foreign currencies	1976	1980	15
External liabilities and claims in sterling: geographical analysis	1976	1980	16
External sterling liabilities: analysis by component	1976	1980	17
Official financing liabilities and official reserves	1976	1980	18

APPENDIX

UNITED KINGDOM BALANCE OF PAYMENTS

SUMMARY

TABLE 1

£ million

		Seasonally adjusted						Not seasonally adjusted					
			Invisibles (balance)										
		Visible trade (balance)	Services	I.P.D.	Transfers	Total	Current balance	Current balance	Capital transfers	Investment and other capital transactions	Allocation of SDRs and gold subscription to IMF	Official financing	Balancing item
1971		+190	+625	+502	−193	+934	+1,124	+1,124	–	+1,790	+125	−3,271	+232
1972		−748	+701	+538	−244	+995	+247	+247	–	−684	+124	+1,141	−828
1973		−2,586	+786	+1,257	−438	+1,605	−981	−981	−59	+166	–	+771	+103
1974		−5,351	+1,083	+1,415	−420	+2,078	−3,273	−3,273	−75	+1,594	–	+1,646	+108
1975		−3,333	+1,519	+773	−480	+1,812	−1,521	−1,521	–	+137	–	+1,465	−81
1976		−3,929	+2,449	+1,365	−760	+3,054	−875	−875	–	−3,009	–	+3,628	+256
1977		−2,284	+3,259	+118	−1,115	+2,262	−22	−22	–	+4,169	–	−7,361	+3,214
1978		−1,542	+3,722	+615	−1,777	+2,560	+1,018	+1,018	–	−4,293	–	+1,126	+2,149
1979		−3,449	+3,958	+892	−2,254	+2,596	−853	−853	–	+2,247	+195	−1,905	+316
1980		+1,185	+4,060	−273	−2,107	+1,680	+2,865	+2,865	–	−1,867	+180	−1,372	+194
1981		+2,979	+4,113	+1,011	−1,981	+3,143	+6,122	+6,122	–	−7,138	+158	+687	+171
1974	1	−1,239	+209	+404	−99	+514	−725	−856	–	+514	–	+339	+3
	2	−1,405	+256	+386	−99	+543	−862	−847	−29	+685	–	+319	−128
	3	−1,323	+321	+314	−94	+541	−782	−747	−40	+500	–	–	+287
	4	−1,384	+297	+311	−128	+480	−904	−823	−6	−105	–	+988	−54
1975	1	−944	+368	+201	−73	+496	−448	−624	–	+99	–	+326	+199
	2	−713	+376	+142	−146	+372	−341	−334	–	+90	–	+572	−328
	3	−1,030	+360	+180	−112	+428	−602	−526	–	+256	–	+213	+57
	4	−646	+415	+250	−149	+516	−130	−37	–	−308	–	+354	−9
1976	1	−524	+570	+294	−194	+670	+146	−112	–	−557	–	+678	−9
	2	−1,048	+548	+350	−167	+731	−317	−338	–	−1,755	–	+1,955	+138
	3	−1,227	+653	+369	−188	+834	−393	−241	–	−661	–	+861	+41
	4	−1,130	+678	+352	−211	+819	−311	−184	–	−36	–	+134	+86
1977	1	−933	+737	+124	−245	+616	−317	−631	–	+1,607	–	−1,913	+937
	2	−917	+816	−11	−280	+525	−392	−450	–	−4	–	−908	+1,362
	3	−166	+838	−11	−321	+506	+340	+575	–	+1,271	–	−2,608	+762
	4	−268	+868	+16	−269	+615	+347	+484	–	+1,295	–	−1,932	+153
1978	1	−562	+892	+63	−536	+419	−143	−425	–	−177	–	−173	+775
	2	−159	+816	+224	−396	+644	+485	+322	–	−2,224	–	+1,494	+408
	3	−557	+1,004	+180	−467	+717	+160	+460	–	−451	–	−210	+201
	4	−264	+1,010	+148	−378	+780	+516	+661	–	−1,441	–	+15	+765
1979	1	−1,433	+993	+382	−513	+862	−571	−917	–	+547	+195	−879	+1,054
	2	−479	+922	+62	−511	+473	−6	−179	–	+855	–	−758	+82
	3	−723	+1,019	+349	−611	+757	+34	+378	–	+308	–	−297	−389
	4	−814	+1,024	+99	−619	+504	−310	−135	–	+537	–	+29	−431
1980	1	−362	+1,056	−155	−471	+430	+68	−389	–	−532	+180	−689	+1,430
	2	−257	+1,018	−169	−631	+218	−39	−250	–	+364	–	−246	+132
	3	+650	+934	−45	−596	+293	+943	+1,161	–	−185	–	−279	−697
	4	+1,154	+1,052	+96	−409	+739	+1,893	+2,343	–	−1,514	–	−158	−671
1981	1	+1,677	+1,068	+207	−535	+740	+2,417	+2,439	–	−4,022	+158	−319	+1,744
	2	+1,132	+1,055	+381	−565	+871	+2,003	+1,570	–	−1,883	–	+165	+148
	3	−320	+990	+170	−635	+525	+205	+399	–	−1,058	–	+709	−50
	4	+490	+1,000	+253	−246	+1,007	+1,497	+1,714	–	−175	–	+132	−1,671
1982	1	+323	+1,089	−185	−494	+410	+733	+941	–	−146	–	+31	−826
	2	+125	+1,005	+408	−651	+762	+887	+387	–	+85	–	+661	−1,133
	3	+401	+973	+164	−533	+604	+1,005	+1,186	–	−334	–	−247	−605

VISIBLE TRADE IN THE BALANCE OF PAYMENTS

TABLE 2

		£ million						1975=100				
		Not seasonally adjusted		Seasonally adjusted				Seasonally adjusted		Not seasonally adjusted		
		Balance of payments		Overseas trade statistics[1]		Balance of payments		Volume indices		Unit value indices		
		Exports (f.o.b.)	Imports (f.o.b.)	Exports (f.o.b.)	Imports (c.i.f.)	Exports (f.o.b.)	Imports (f.o.b.)	Exports	Imports	Exports	Imports	Terms of trade [2]
1971		9,043	8,853	9,070	9,799	9,043	8,853	85.9	85.5	53.7	44.8	119.8
1972		9,437	10,185	9,602	11,073	9,437	10,185	85.6	95.2	56.8	46.9	121.1
1973		11,937	14,523	12,087	15,724	11,937	14,523	97.2	108.4	64.0	60.0	106.8
1974		16,394	21,745	16,309	23,139	16,394	21,745	104.2	109.5	81.6	87.7	93.1
1975		19,330	22,663	19,607	24,046	19,330	22,663	100.0	100.0	100.0	100.0	100.0
1976		25,191	29,120	25,277	31,084	25,191	29,120	109.9	105.8	119.6	122.2	97.9
1977		31,728	34,012	31,990	36,219	31,728	34,012	118.4	107.7	141.5	141.3	100.2
1978		35,063	36,605	35,380	39,533	35,063	36,605	121.5	112.8	155.5	146.8	105.9
1979		40,687	44,136	40,637	46,925	40,687	44,136	125.7	125.6	171.7	161.6	106.3
1980		47,396	46,211	47,339	49,886	47,396	46,211	128.0	119.1	192.8	185.8	103.7
1981		51,071	48,092	50,786	51,348	51,071	48,092	126.8	119.1	207.9	204.1	101.9
1974	1	3,610	4,944	3,616	5,206	3,636	4,875	101.9	108.4	74.0	78.6	94.2
	2	4,186	5,592	4,036	5,904	4,111	5,516	106.3	111.1	80.1	88.1	90.9
	3	4,152	5,452	4,309	5,971	4,295	5,618	105.9	110.2	84.1	90.7	92.7
	4	4,446	5,757	4,348	6,058	4,352	5,736	102.5	108.3	88.1	93.2	94.5
1975	1	4,493	5,543	4,707	5,939	4,658	5,602	100.8	102.2	95.2	96.5	98.7
	2	4,822	5,537	4,653	5,624	4,594	5,307	97.4	96.4	97.5	97.1	100.4
	3	4,644	5,639	4,890	6,187	4,806	5,836	97.8	102.5	101.6	100.8	100.8
	4	5,371	5,944	5,357	6,297	5,272	5,918	103.9	98.9	105.7	105.6	100.1
1976	1	5,665	6,323	5,620	6,540	5,599	6,123	106.1	98.5	109.6	110.4	99.3
	2	6,252	7,292	6,161	7,728	6,164	7,212	110.8	107.9	115.8	119.0	97.3
	3	6,153	7,336	6,418	8,089	6,400	7,627	109.5	108.3	122.8	125.1	98.2
	4	7,121	8,169	7,078	8,728	7,028	8,158	113.0	108.6	130.3	134.3	97.0
1977	1	7,484	8,572	7,487	8,879	7,437	8,370	115.5	107.4	134.9	137.1	98.4
	2	7,998	8,905	7,968	9,435	7,914	8,831	118.5	112.0	140.6	140.8	99.9
	3	8,131	8,268	8,455	9,052	8,354	8,520	123.2	107.6	144.3	143.4	100.6
	4	8,115	8,267	8,079	8,853	8,023	8,291	116.4	103.9	146.4	143.9	101.8
1978	1	8,198	8,920	8,372	9,344	8,282	8,844	118.5	111.4	149.6	141.9	105.4
	2	9,125	9,315	8,859	9,999	8,790	8,949	122.6	110.2	153.7	146.5	104.9
	3	8,502	8,978	8,927	10,071	8,854	9,411	121.4	115.1	157.6	148.1	106.4
	4	9,238	9,392	9,222	10,118	9,137	9,401	123.4	114.4	161.1	150.8	106.8
1979	1	8,444	10,095	8,348	10,420	8,313	9,746	108.2	114.7	165.8	153.9	107.8
	2	10,813	11,370	10,710	12,000	10,759	11,238	136.2	129.7	169.1	158.5	106.7
	3	10,091	10,680	10,500	11,834	10,497	11,220	128.1	128.7	173.2	161.7	107.1
	4	11,339	11,991	11,080	12,670	11,118	11,932	130.1	129.5	178.9	172.4	103.8
1980	1	12,006	12,685	11,885	13,269	11,907	12,269	131.8	123.5	187.2	185.3	101.0
	2	11,910	12,227	11,907	13,059	11,926	12,183	128.6	125.7	191.6	185.4	103.3
	3	11,423	10,650	11,723	12,074	11,712	11,062	125.0	115.8	195.5	185.4	105.4
	4	12,057	10,649	11,824	11,484	11,851	10,697	126.4	111.4	196.8	187.1	105.2
1981	1	11,783	10,383	11,708	10,788	11,769	10,092	121.8	104.4	199.3	189.8	105.0
	2	12,313	11,294	12,134	11,905	12,253	11,121	125.7	114.2	204.2	199.1	102.5
	3	12,809	12,918	13,037	14,356	13,191	13,511	128.0	132.1	211.2	209.9	100.6
	4	14,166	13,497	13,908	14,298	13,858	13,368	131.8	125.7	217.1	217.7	99.7
1982	1	13,280	13,266	13,342	13,910	13,279	12,956	125.0	122.5	220.3	216.9	101.5
	2	13,734	13,690	13,820	14,669	13,745	13,620	130.7	129.1	220.3	217.2	101.4
	3	13,395	12,759	13,702	14,208	13,666	13,265	124.3	125.1	223.5	221.6	100.9

---

1. Due to roundings, the sum of four quarters may not equal the annual data.
2. Export unit value index as a percentage of the import unit value index.

INVISIBLES: SUMMARY

TABLE 3

£ million

		Seasonally adjusted											Not seasonally adjusted		
		Invisible credits				Invisible debits				Invisible balance			Total invisibles		
											of which:				
		Services	IPD	Transfers	Total	Services	IPD	Transfers	Total	Total	Private sector and PC: services and IPD	Gen. govt. transactions and private transfers	Credits	Debits	Balance
1971		3,965	1,486	246	5,697	3,340	984	439	4,763	+934	+1,646	−712	5,697	4,763	+934
1972		4,288	1,748	264	6,300	3,587	1,210	508	5,305	+995	+1,732	−737	6,300	5,305	+995
1973		5,296	2,823	387	8,506	4,510	1,566	825	6,901	+1,605	+2,651	−1,046	8,506	6,901	+1,605
1974		6,736	3,286	489	10,511	5,653	1,871	909	8,433	+2,078	+3,369	−1,291	10,511	8,433	+2,078
1975		7,867	2,841	759	11,467	6,348	2,068	1,239	9,655	+1,812	+3,376	−1,564	11,467	9,655	+1,812
1976		10,245	3,971	790	15,006	7,796	2,606	1,550	11,952	+3,054	+5,129	−2,075	15,006	11,952	+3,054
1977		11,854	4,032	912	16,798	8,595	3,914	2,027	14,536	+2,262	+4,821	−2,559	16,798	14,536	+2,262
1978		12,663	5,148	1,213	19,024	8,941	4,533	2,990	16,464	+2,560	+5,627	−3,067	19,024	16,464	+2,560
1979		14,438	7,879	1,346	23,663	10,480	6,987	3,600	21,067	+2,596	+6,187	−3,591	23,663	21,067	+2,596
1980		15,762	8,289	1,766	25,817	11,702	8,562	3,873	24,137	+1,680	+5,189	−3,509	25,817	24,137	+1,680
1981		16,751	10,089	2,502	29,342	12,638	9,078	4,483	26,199	+3,143	+6,410	−3,267	29,342	26,199	+3,143
1974	1	1,577	885	116	2,578	1,368	481	215	2,064	+514	+813	−299	2,461	1,983	+478
	2	1,663	834	114	2,611	1,407	448	213	2,068	+543	+860	−317	2,615	2,056	+559
	3	1,741	756	116	2,613	1,420	442	210	2,072	+541	+857	−316	2,744	2,191	+553
	4	1,755	811	143	2,709	1,458	500	271	2,229	+480	+839	−359	2,691	2,203	+488
1975	1	1,882	733	197	2,812	1,514	532	270	2,316	+496	+819	−323	2,632	2,206	+426
	2	1,911	675	173	2,759	1,535	533	319	2,387	+372	+768	−396	2,774	2,393	+381
	3	1,973	674	195	2,842	1,613	494	307	2,414	+428	+842	−414	3,031	2,562	+469
	4	2,101	759	194	3,054	1,686	509	343	2,538	+516	+947	−431	3,030	2,494	+536
1976	1	2,284	929	175	3,388	1,714	635	369	2,718	+670	+1,153	−483	3,145	2,599	+546
	2	2,458	945	209	3,612	1,910	595	376	2,881	+731	+1,226	−495	3,602	2,900	+702
	3	2,666	1,033	196	3,895	2,013	664	384	3,061	+834	+1,345	−511	4,169	3,227	+942
	4	2,837	1,064	210	4,111	2,159	712	421	3,292	+819	+1,405	−586	4,090	3,226	+864
1977	1	2,836	1,020	229	4,085	2,099	896	474	3,469	+616	+1,252	−636	3,755	3,298	+457
	2	2,928	1,001	212	4,141	2,112	1,012	492	3,616	+525	+1,189	−664	4,116	3,659	+457
	3	3,050	998	220	4,268	2,212	1,009	541	3,762	+506	+1,178	−672	4,636	3,924	+712
	4	3,040	1,013	251	4,304	2,172	997	520	3,689	+615	+1,202	−587	4,291	3,655	+636
1978	1	3,058	1,120	261	4,439	2,166	1,057	797	4,020	+419	+1,291	−872	4,127	3,830	+297
	2	3,069	1,283	275	4,627	2,253	1,059	671	3,983	+644	+1,365	−721	4,561	4,049	+512
	3	3,261	1,343	312	4,916	2,257	1,163	779	4,199	+717	+1,514	−797	5,319	4,383	+936
	4	3,275	1,402	365	5,042	2,265	1,254	743	4,262	+780	+1,457	−677	5,017	4,202	+815
1979	1	3,418	1,799	305	5,522	2,425	1,417	818	4,660	+862	+1,687	−825	5,182	4,448	+734
	2	3,501	1,796	325	5,622	2,579	1,734	836	5,149	+473	+1,337	−864	5,578	5,200	+378
	3	3,670	2,181	336	6,187	2,651	1,832	947	5,430	+757	+1,681	−924	6,614	5,647	+967
	4	3,849	2,103	380	6,332	2,825	2,004	999	5,828	+504	+1,482	−978	6,289	5,772	+517
1980	1	3,989	2,104	450	6,543	2,933	2,259	921	6,113	+430	+1,227	−797	6,110	5,820	+290
	2	3,951	2,184	390	6,525	2,933	2,353	1,021	6,307	+218	+1,226	−1,008	6,447	6,380	+67
	3	3,884	1,869	424	6,177	2,950	1,914	1,020	5,884	+293	+1,228	−935	6,620	6,232	+388
	4	3,938	2,132	502	6,572	2,886	2,036	911	5,833	+739	+1,508	−769	6,640	5,705	+935
1981	1	4,031	2,224	585	6,840	2,963	2,017	1,120	6,100	+740	+1,568	−828	6,825	5,786	+1,039
	2	4,160	2,353	497	7,010	3,105	1,972	1,062	6,139	+871	+1,771	−900	6,766	6,215	+551
	3	4,252	2,557	603	7,412	3,262	2,387	1,238	6,887	+525	+1,459	−934	7,766	7,258	+508
	4	4,308	2,955	817	8,080	3,308	2,702	1,063	7,073	+1,007	+1,612	−605	7,985	6,940	+1,045
1982	1	4,422	2,229	790	7,441	3,333	2,414	1,284	7,031	+410	+1,280	−870	7,536	6,609	+927
	2	4,465	2,771	661	7,897	3,460	2,363	1,312	7,135	+762	+1,852	−1,090	7,616	7,273	+343
	3	4,423	2,645	790	7,858	3,450	2,481	1,323	7,254	+604	+1,613	−1,009	8,226	7,676	+550

SERVICES: CREDITS

TABLE 4

		£ million												1975=100
		Private sector and public corporations								General government				
		Sea transport												
		Dry cargo	Tankers	Total	Civil aviation	Travel	Financial services	Other services	Total	EC institutions	Other	Total	Total services credits at current prices	Volume indices: total services credits
1974		1,408	1,257	2,665	625	898	785	1,653	6,626	21	89	110	6,736	98.4
1975		1,520	1,131	2,651	780	1,218	1,025	2,054	7,728	34	105	139	7,867	100.0
1976		1,870	1,363	3,233	1,049	1,768	1,303	2,677	10,030	46	169	215	10,245	106.3
1977		2,094	1,339	3,433	1,203	2,352	1,391	3,234	11,613	78	163	241	11,854	109.6
1978		1,934	1,215	3,149	1,455	2,507	1,542	3,692	12,345	94	224	318	12,663	109.4
1979		2,038	1,766	3,804	1,755	2,797	1,588	4,150	14,094	115	229	344	14,438	109.7
1980		2,200	1,616	3,816	2,210	2,961	1,601	4,774	15,362	112	288	400	15,762	105.8
1981		2,155	1,629	3,784	2,359	2,999	1,954	5,194	16,290	122	339	461	16,751	99.4
Unadjusted														
1978	1	451	294	745	264	375	417	881	2,682	20	65	85	2,767	100.3
	2	514	286	800	338	544	349	889	2,920	21	44	65	2,985	102.6
	3	497	300	797	475	1,023	391	896	3,582	26	60	86	3,668	125.8
	4	472	335	807	378	565	385	1,026	3,161	27	55	82	3,243	108.9
1979	1	457	392	849	303	412	397	1,027	2,988	30	71	101	3,089	99.4
	2	519	427	946	385	637	377	1,000	3,345	24	39	63	3,408	107.2
	3	532	445	977	564	1,088	417	986	4,032	30	55	85	4,117	124.5
	4	530	502	1,032	503	660	397	1,137	3,729	31	64	95	3,824	107.5
1980	1	523	464	987	395	516	388	1,193	3,479	31	79	110	3,589	99.1
	2	574	393	967	510	715	403	1,152	3,747	31	53	84	3,831	104.1
	3	584	369	953	710	1,122	382	1,095	4,262	31	88	119	4,381	118.4
	4	519	390	909	595	608	428	1,334	3,874	19	68	87	3,961	101.6
1981	1	471	431	902	476	472	459	1,194	3,503	37	97	134	3,637	91.3
	2	540	414	954	556	685	500	1,242	3,937	25	51	76	4,013	96.6
	3	589	412	1,001	725	1,159	486	1,288	4,659	21	99	120	4,779	112.3
	4	555	372	927	602	683	509	1,470	4,191	39	92	131	4,322	97.4
1982	1	529	337	866	483	521	569	1,385	3,824	41	103	144	3,968	91.6
	2	577	377	954	563	801	541	1,369	4,228	36	58	94	4,322	95.7
	3	563	358	921	770	1,290	560	1,394	4,935	38	39	77	5,012	109.6
Seasonally adjusted														
1978	1	475	294	769	325	587	429	879	2,989	20	49	69	3,058	111.0
	2	498	292	790	348	609	341	900	2,988	21	60	81	3,069	104.7
	3	475	306	781	393	664	398	941	3,177	26	58	84	3,261	111.9
	4	486	323	809	389	647	374	972	3,191	27	57	84	3,275	110.0
1979	1	483	389	872	382	651	405	1,023	3,333	30	55	85	3,418	109.5
	2	504	437	941	403	695	369	1,013	3,421	24	56	80	3,501	109.6
	3	507	454	961	459	707	424	1,035	3,586	30	54	84	3,670	110.9
	4	544	486	1,030	511	744	390	1,079	3,754	31	64	95	3,849	108.6
1980	1	554	455	1,009	501	800	391	1,193	3,894	31	64	95	3,989	108.7
	2	557	403	960	547	764	397	1,178	3,846	31	74	105	3,951	106.8
	3	554	379	933	573	718	389	1,157	3,770	31	83	114	3,884	105.7
	4	535	379	914	589	679	424	1,246	3,852	19	67	86	3,938	102.0
1981	1	499	421	920	600	725	459	1,212	3,916	37	78	115	4,031	100.0
	2	529	424	953	594	733	492	1,291	4,063	25	72	97	4,160	99.4
	3	555	422	977	574	757	496	1,335	4,139	21	92	113	4,252	99.0
	4	572	362	934	591	784	507	1,356	4,172	39	97	136	4,308	99.2
1982	1	577	330	907	610	801	570	1,408	4,296	41	85	126	4,422	100.1
	2	562	386	948	600	855	531	1,412	4,346	36	83	119	4,465	98.3
	3	532	367	899	614	840	573	1,428	4,354	38	31	69	4,423	97.5

SERVICES: DEBITS

TABLE 4 (continued)

		£ million										1975=100	£ million		
		Private sector and public corporations													
		Sea transport					Other services						Balance of services at current prices		
		Dry cargo	Tankers	Total	Civil aviation	Travel	Services associated with UK Cont. Shelf	Other	Total	General government	Total services debits at current prices	Volume indices: total services debits	Private sector and public corporations	General government	Total
1974		1,339	1,437	2,776	540	703	212	793	5,024	629	5,653	101.3	+1,602	−519	+1,083
1975		1,302	1,266	2,568	675	917	490	989	5,639	709	6,348	100.0	+2,089	−570	+1,519
1976		1,644	1,517	3,161	840	1,068	665	1,180	6,914	882	7,796	98.5	+3,116	−667	+2,449
1977		1,870	1,480	3,350	984	1,186	725	1,385	7,630	965	8,595	96.8	+3,983	−724	+3,259
1978		1,932	1,235	3,167	1,176	1,549	568	1,465	7,925	1,016	8,941	97.6	+4,420	−698	+3,722
1979		2,201	1,482	3,683	1,467	2,109	467	1,613	9,339	1,141	10,480	108.0	+4,755	−797	+3,958
1980		2,434	1,247	3,681	1,815	2,738	514	1,766	10,514	1,188	11,702	112.6	+4,848	−788	+4,060
1981		2,536	1,351	3,887	1,922	3,285	615	1,854	11,563	1,075	12,638	111.1	+4,727	−614	+4,113
Unadjusted															
1978	1	449	308	757	234	228	115	344	1,678	262	1,940	87.8	+1,004	−177	+827
	2	508	316	824	283	357	159	358	1,981	267	2,248	97.8	+939	−202	+737
	3	489	292	781	368	645	161	369	2,324	267	2,591	113.1	+1,258	−181	+1,077
	4	486	319	805	291	319	133	394	1,942	220	2,162	91.7	+1,219	−138	+1,081
1979	1	465	360	825	296	305	95	378	1,899	263	2,162	92.6	+1,089	−162	+927
	2	586	359	945	359	503	102	385	2,294	288	2,582	107.7	+1,051	−225	+826
	3	588	359	947	446	858	122	413	2,786	281	3,067	127.4	+1,246	−196	+1,050
	4	562	404	966	366	443	148	437	2,360	309	2,669	104.1	+1,369	−214	+1,155
1980	1	622	348	970	398	399	113	436	2,316	285	2,601	99.4	+1,163	−175	+988
	2	628	308	936	453	672	120	439	2,620	312	2,932	113.0	+1,127	−228	+899
	3	638	301	939	545	1,127	127	442	3,180	302	3,482	135.2	+1,082	−183	+899
	4	546	290	836	419	540	154	449	2,398	289	2,687	102.9	+1,476	−202	+1,274
1981	1	578	352	930	399	459	103	457	2,348	240	2,588	96.0	+1,155	−106	+1,049
	2	597	360	957	475	794	149	451	2,826	260	3,086	112.0	+1,111	−184	+927
	3	682	335	1,017	594	1,388	155	473	3,627	268	3,895	133.9	+1,032	−148	+884
	4	679	304	983	454	644	208	473	2,762	307	3,069	102.4	+1,429	−176	+1,253
1982	1	677	276	953	433	534	174	489	2,583	325	2,908	96.2	+1,241	−181	+1,060
	2	740	300	1,040	516	883	166	508	3,113	343	3,456	111.1	+1,115	−249	+866
	3	714	274	988	644	1,460	194	526	3,812	326	4,138	130.6	+1,123	−249	+874
Seasonally adjusted															
1978	1	463	311	774	269	365	154	344	1,906	260	2,166	98.4	+1,083	−191	+892
	2	495	318	813	283	365	166	357	1,984	269	2,253	97.9	+1,004	−188	+816
	3	479	295	774	314	398	137	369	1,992	265	2,257	98.2	+1,185	−181	+1,004
	4	495	311	806	310	421	111	395	2,043	222	2,265	95.9	+1,148	−138	+1,010
1979	1	483	362	845	341	477	122	377	2,162	263	2,425	104.2	+1,171	−178	+993
	2	572	361	933	358	509	105	386	2,291	288	2,579	107.6	+1,130	−208	+922
	3	571	363	934	376	536	111	413	2,370	281	2,651	109.5	+1,216	−197	+1,019
	4	575	396	971	392	587	129	437	2,516	309	2,825	110.5	+1,238	−214	+1,024
1980	1	647	349	996	452	623	141	436	2,648	285	2,933	113.1	+1,246	−190	+1,056
	2	613	309	922	451	687	122	439	2,621	312	2,933	113.0	+1,225	−207	+1,018
	3	615	303	918	459	710	118	443	2,648	302	2,950	113.3	+1,122	−188	+934
	4	559	286	845	453	718	133	448	2,597	289	2,886	111.1	+1,255	−203	+1,052
1981	1	600	350	950	456	734	126	457	2,723	240	2,963	110.7	+1,193	−125	+1,068
	2	583	363	946	474	819	156	450	2,845	260	3,105	112.2	+1,218	−163	+1,055
	3	657	340	997	500	872	151	474	2,994	268	3,262	110.7	+1,145	−155	+990
	4	696	298	994	492	860	182	473	3,001	307	3,308	110.7	+1,171	−171	+1,000
1982	1	700	274	974	496	840	208	490	3,008	325	3,333	110.0	+1,288	−199	+1,089
	2	723	303	1,026	517	896	171	507	3,117	343	3,460	111.0	+1,229	−224	+1,005
	3	687	281	968	541	902	188	525	3,124	326	3,450	109.6	+1,230	−257	+973

INTEREST,PROFITS AND DIVIDENDS: CREDITS

TABLE 5

£ million

		Earnings on:			Interest on UK borrowing and lending in foreign currencies (balance)	Interest on bank deposits and lending overseas	Other earnings (incl- ing oil companies)	Total credits	of which:	
		Direct investment[1]	Portfolio investment	Export credit and sterling lending by UK banks					Private sector and public corporations	General government
1974		1,490	279	322	151	–	1,044	3,286	3,049	237
1975		1,591	271	365	138	–	476	2,841	2,575	266
1976		2,383	313	472	210	87	506	3,971	3,718	253
1977		2,293	328	460	107	102	742	4,032	3,648	384
1978		2,346	353	566	346	164	1,373	5,148	4,457	691
1979		2,815	450	741	–44	283	3,634	7,879	7,063	816
1980		2,914	679	970	352	432	2,942	8,289	7,346	943
1981		3,597	796	1,343	1,010	584	2,759	10,089	9,141	948
Unadjusted										
1978	1	530	79	115	48	30	297	1,099	928	171
	2	606	88	134	68	36	369	1,301	1,104	197
	3	614	97	143	114	42	329	1,339	1,173	166
	4	596	89	174	116	56	378	1,409	1,252	157
1979	1	651	107	181	36	61	752	1,788	1,611	177
	2	668	108	178	6	61	824	1,845	1,640	205
	3	773	120	177	3	70	1,018	2,161	1,954	207
	4	723	115	205	–89	91	1,040	2,085	1,858	227
1980	1	804	141	216	–44	112	867	2,096	1,869	227
	2	788	164	224	155	106	813	2,250	1,961	289
	3	640	189	243	97	91	579	1,839	1,629	210
	4	682	185	287	144	123	683	2,104	1,887	217
1981	1	842	186	289	108	125	679	2,229	2,022	207
	2	937	188	287	282	140	596	2,430	2,127	303
	3	886	208	345	273	168	649	2,529	2,288	241
	4	932	214	422	347	151	835	2,901	2,704	197
1982	1	780	213	433	117	147	528	2,219	2,042	177
	2	976	220	416	484	152	631	2,878	2,600	278
	3	864	251	391	404	133	563	2,606	2,430	176
Seasonally adjusted										
1978	1	546	81	115	48	30	300	1,120	946	174
	2	598	88	136	68	36	357	1,283	1,097	186
	3	610	93	150	114	42	334	1,343	1,172	171
	4	592	91	165	116	56	382	1,402	1,242	160
1979	1	652	110	185	36	61	755	1,799	1,619	180
	2	639	108	175	6	61	807	1,796	1,609	187
	3	778	114	189	3	70	1,027	2,181	1,965	216
	4	746	118	192	–89	91	1,045	2,103	1,870	233
1980	1	797	144	219	–44	112	876	2,104	1,869	235
	2	755	165	221	155	106	782	2,184	1,926	258
	3	649	182	256	97	91	594	1,869	1,643	226
	4	713	188	274	144	123	690	2,132	1,908	224
1981	1	825	191	287	108	125	688	2,224	2,008	216
	2	894	189	290	282	140	558	2,353	2,089	264
	3	898	197	358	273	168	663	2,557	2,301	256
	4	980	219	408	347	151	850	2,955	2,743	212
1982	1	761	217	432	117	147	554	2,229	2,025	204
	2	935	224	421	484	152	556	2,771	2,570	201
	3	878	238	403	404	133	589	2,645	2,444	201

---

[1] Earnings on direct investment exclude the earnings of oil companies.

INTEREST,PROFITS AND DIVIDENDS: DEBITS

TABLE 5(continued)

£ million

		Earnings on:							of which:		Balance of IPD		
		Direct investment[1]	Foreign oil companies' investment in UK	Portfolio investment	Foreign currency borrowing by general government[2]	Sterling liabilities	Other	Total debits	Private sector and public corporations	General government	Private sector and public corporations	General government	Total
1974		622	27	252	139	623	208	1,871	1,282	589	+1,767	-352	+1,415
1975		625	-23	307	259	651	249	2,068	1,288	780	+1,287	-514	+773
1976		1,040	-76	385	368	567	322	2,606	1,705	901	+2,013	-648	+1,365
1977		1,432	565	572	422	466	457	3,914	2,810	1,104	+838	-720	+118
1978		1,527	703	669	522	496	616	4,533	3,250	1,283	+1,207	-592	+615
1979		2,149	1,940	747	576	911	664	6,987	5,631	1,356	+1,432	-540	+892
1980		1,982	2,965	899	518	1,529	669	8,562	7,005	1,557	+341	-614	-273
1981		2,106	2,774	971	489	1,902	836	9,078	7,458	1,620	+1,683	-672	+1,011
Unadjusted													
1978	1	377	135	152	119	111	110	1,004	715	289	+213	-118	+95
	2	379	142	211	144	104	188	1,168	796	372	+308	-175	+133
	3	370	148	150	114	135	130	1,047	763	284	+410	-118	+292
	4	401	278	156	145	146	188	1,314	976	338	+276	-181	+95
1979	1	419	361	140	130	154	136	1,340	1,058	282	+553	-105	+448
	2	576	493	196	169	196	202	1,832	1,445	387	+195	-182	+13
	3	395	626	193	107	230	131	1,682	1,382	300	+572	-93	+479
	4	759	460	218	170	331	195	2,133	1,746	387	+112	-160	-48
1980	1	550	814	204	108	326	151	2,153	1,821	332	+48	-105	-57
	2	606	822	280	177	367	236	2,488	1,982	506	-21	-217	-238
	3	337	644	223	93	379	108	1,784	1,439	345	+190	-135	+55
	4	489	685	192	140	457	174	2,137	1,763	374	+124	-157	-33
1981	1	396	653	222	81	427	142	1,921	1,582	339	+440	-132	+308
	2	445	489	272	191	449	286	2,132	1,596	536	+531	-233	+298
	3	593	599	253	98	459	180	2,182	1,818	364	+470	-123	+347
	4	672	1,033	224	119	567	228	2,843	2,462	381	+242	-184	+58
1982	1	664	611	265	52	495	182	2,269	1,939	330	+103	-153	-50
	2	551	601	289	139	595	388	2,563	2,022	541	+578	-263	+315
	3	521	632	277	63	599	178	2,270	1,891	379	+539	-203	+336
Seasonally adjusted													
1978	1	379	135	168	129	106	140	1,057	738	319	+208	-145	+63
	2	352	142	171	129	110	155	1,059	736	323	+361	-137	+224
	3	426	148	162	131	140	156	1,163	843	320	+329	-149	+180
	4	370	278	168	133	140	165	1,254	933	321	+309	-161	+148
1979	1	435	361	152	144	160	165	1,417	1,103	314	+516	-134	+382
	2	563	493	164	150	203	161	1,734	1,402	332	+207	-145	+62
	3	480	626	194	129	244	159	1,832	1,500	332	+465	-116	+349
	4	671	460	237	153	304	179	2,004	1,626	378	+244	-145	+99
1980	1	573	814	226	124	334	188	2,259	1,888	371	-19	-136	-155
	2	592	822	237	157	377	168	2,353	1,925	428	+1	-170	-169
	3	390	644	223	117	397	143	1,914	1,537	377	+106	-151	-45
	4	427	685	213	120	421	170	2,036	1,655	381	+253	-157	+96
1981	1	404	653	236	98	441	185	2,017	1,633	384	+375	-168	+207
	2	427	489	236	162	453	205	1,972	1,536	436	+553	-172	+381
	3	708	599	250	124	484	222	2,387	1,987	400	+314	-144	+170
	4	567	1,033	249	105	524	224	2,702	2,302	400	+441	-188	+253
1982	1	694	611	282	69	516	242	2,414	2,033	381	-8	-177	-185
	2	534	601	249	119	605	255	2,363	1,947	416	+623	-215	+408
	3	626	632	271	87	629	236	2,481	2,061	420	+383	-219	+164

---

1. Earnings on direct investment exclude the earnings of oil companies.

2. Excluding foreign currency issues but including loans raised by all public bodies under the exchange cover scheme.

TRANSFERS

TABLE 6

£ million

		Private sector			General government									
					Credits		Debits					Balance		
					EC institutions			Contributions and subscriptions to international orgs.						
		Credits	Debits	Balance of private sector	Budget refunds	Other	Bilateral aid	EC	Other	Pensions, benefits and other transfers	Total debits	Total	of which: with EC institutions	Balance of transfers
1974		357	454	−97	–	132	108	186	90	71	455	−323	−54	−420
1975		393	503	−110	–	366	160	350	143	83	736	−370	+16	−480
1976		537	509	+28	–	253	264	474	192	111	1,041	−788	−221	−760
1977		614	614	–	–	298	278	750	254	131	1,413	−1,115	−452	−1,115
1978		774	848	−74	–	439	387	1,364	233	158	2,142	−1,703	−925	−1,777
1979		796	992	−196	–	550	497	1,626	325	160	2,608	−2,058	−1,076	−2,254
1980		808	1,083	−275	98	860	537	1,783	281	189	2,790	−1,832	−825	−2,107
1981		844	1,119	−275	693	965	604	2,188	285	287	3,364	−1,706	−530	−1,981
Unadjusted														
1978	1	177	228	−51	–	84	153	382	80	43	658	−574	−298	−625
	2	196	205	−9	–	79	49	271	71	37	428	−349	−192	−358
	3	198	211	−13	–	114	74	379	41	40	534	−420	−265	−433
	4	203	204	−1	–	162	111	332	41	38	522	−360	−170	−361
1979	1	201	220	−19	–	104	212	362	110	42	726	−622	−258	−641
	2	199	205	−6	–	126	63	386	98	34	581	−455	−260	−461
	3	193	275	−82	–	143	97	428	57	41	623	−480	−285	−562
	4	203	292	−89	–	177	125	450	60	43	678	−501	−273	−590
1980	1	198	273	−75	–	227	231	415	93	54	793	−566	−188	−641
	2	202	271	−69	–	164	77	483	83	46	689	−525	−319	−594
	3	203	271	−68	–	197	114	466	71	44	695	−498	−269	−566
	4	205	268	−63	98	272	115	419	34	45	613	−243	−49	−306
1981	1	185	274	−89	547	227	298	544	90	71	1,003	−229	+230	−318
	2	202	275	−73	–	121	69	507	88	58	722	−601	−386	−674
	3	226	280	−54	28	204	107	660	61	73	901	−669	−428	−723
	4	231	290	−59	118	413	130	477	46	85	738	−207	+54	−266
1982	1	245	295	−50	813	291	243	700	108	86	1,137	−33	+404	−83
	2	257	299	−42	8	150	60	724	103	68	955	−796	−565	−838
	3	266	303	−37	72	270	85	748	60	72	965	−623	−406	−660
Seasonally adjusted														
1978	1	177	228	−51	–	84	86	384	62	37	569	−485	−300	−536
	2	196	205	−9	–	79	86	280	60	40	466	−387	−201	−396
	3	198	211	−13	–	114	98	378	51	41	568	−454	−264	−467
	4	203	204	−1	–	162	117	322	60	40	539	−377	−160	−378
1979	1	201	220	−19	–	104	119	356	86	37	598	−494	−252	−513
	2	199	205	−6	–	126	119	394	82	36	631	−505	−268	−511
	3	193	275	−82	–	143	128	430	72	42	672	−529	−287	−611
	4	203	292	−89	–	177	131	446	85	45	707	−530	−269	−619
1980	1	198	273	−75	24	227	125	405	70	48	648	−396	−153	−471
	2	202	271	−69	24	164	142	489	70	49	750	−562	−301	−631
	3	203	271	−68	25	197	148	471	85	45	749	−528	−250	−596
	4	205	268	−63	25	272	122	418	56	47	643	−346	−121	−409
1981	1	185	274	−89	173	227	179	535	68	64	846	−446	−135	−535
	2	202	275	−73	173	121	141	511	73	62	787	−492	−216	−565
	3	226	280	−54	173	204	143	666	75	74	958	−581	−289	−635
	4	231	290	−59	174	413	141	476	69	87	773	−187	+110	−246
1982	1	245	295	−50	254	291	138	689	84	78	989	−444	−144	−494
	2	257	299	−42	254	150	123	730	87	73	1,013	−609	−326	−651
	3	266	303	−37	254	270	117	755	75	73	1,020	−496	−231	−533

INVESTMENT AND OTHER CAPITAL TRANSACTIONS [1]

TABLE 7

Not seasonally adjusted

£ million

		Overseas investment in		UK private invest-ment overseas	Official long-term capital	Trade credit[2]	Foreign currency borrow-ing or lending abroad by UK banks[3,5]	Exchange reserves in sterling[4]		Other external banking and money market liabili-ties in sterling[5]	External sterling lending by UK banks[5,6]	Other external borrow-ing or lending[7]	Other trans-actions	Total invest-ment and other capital trans-actions
		UK public sector	UK private sector					British govern-ment stocks	Banking and money market liabili-ties, etc.[5]					
1971		+103	+912	-860	-274	-233	+471	+55	+658	+709	+39	+144	+66	+1,790
1972		+113	+659	-1,402	-254	-211	+471	+65	+222	-91	-241	+146	-161	-684
1973		+156	+1,341	-1,760	-255	-203	+535	+74	+87	-7	+35	+339	-176	+166
1974		+180	+2,024	-1,148	-287	-722	-295	-124	+1,534	+148	+53	+351	-120	+1,594
1975		-13	+1,527	-1,367	-291	-518	+253	+7	-622	+549	+96	+316	+200	+137
1976		+179	+1,912	-2,269	-161	-992	-106	+12	-1,413	+256	-350	+121	-198	-3,009
1977		+1,432	+2,967	-2,334	-303	-355	+364	+6	-16	+1,481	+58	+813	+56	+4,169
1978		-97	+2,005	-4,634	-336	-631	-433	-113	-	+293	-504	+106	+51	-4,293
1979		+902	+3,459	-6,555	-401	-795	+1,623	+247	+509	+2,580	+205	+541	-68	+2,247
1980		+589	+4,654	-8,204	-91	-1,170	+2,018	+945	+317	+2,558	-2,500	-766	-217	-1,867
1981		+188	+3,168	-10,597	-336	-884	+1,404	+258	-118	+2,607	-2,943	+36	+80	-7,138
1974	1	+22	+830	-358	-53	-125	-61	+68	+164	-53	+1	+100	-21	+514
	2	+96	+404	-101	-44	-273	+56	-190	+421	+155	+104	+57	-	+685
	3	+4	+471	-198	-23	-127	-346	-67	+622	+61	-2	+102	+3	+500
	4	+58	+319	-491	-167	-197	+56	+65	+327	-15	-50	+92	-102	-105
1975	1	+36	+305	-378	-72	-208	-62	+6	+222	+19	+46	+77	+108	+99
	2	-3	+207	-528	-39	-177	+772	-7	-296	+286	-241	+54	+62	+90
	3	-57	+580	-108	-30	+137	-15	-67	-313	+1	+35	+82	+11	+256
	4	+11	+435	-353	-150	-270	-442	+75	-235	+243	+256	+103	+19	-308
1976	1	+1	+591	-598	-37	-355	+94	-10	-72	+6	-245	+147	-79	-557
	2	+15	+377	-560	-18	-284	-86	-13	-908	-11	-223	+74	-118	-1,755
	3	+61	+458	-547	-28	-35	-272	-19	-330	+212	-124	-29	-8	-661
	4	+102	+486	-564	-78	-318	+158	+54	-103	+49	+242	-71	+7	-36
1977	1	+353	+927	-566	-23	-136	+419	-163	+345	+199	+166	+141	-55	+1,607
	2	+443	+831	-772	-19	-60	-706	-4	-394	+350	-110	+381	+56	-4
	3	+252	+727	-499	-30	+91	+187	+31	+43	+323	-23	+216	-47	+1,271
	4	+384	+482	-497	-231	-250	+464	+142	-10	+609	+25	+75	+102	+1,295
1978	1	-55	+869	-897	-23	-169	+128	-33	+176	-62	-292	+160	+21	-177
	2	-40	+335	-814	-8	-280	-931	-20	-211	-152	-65	+39	-76	-2,224
	3	-21	+352	-1,189	-66	-126	+343	-34	+43	+159	-82	-15	+185	-451
	4	+19	+449	-1,734	-239	-56	+27	-26	-8	+348	-65	-78	-79	-1,441
1979	1	+245	+351	-1,516	-78	-320	+1,002	-130	+268	+470	+103	+75	+77	+547
	2	+78	+1,281	-1,441	-35	-243	+385	+5	+92	+358	+204	+12	+159	+855
	3	+429	+923	-1,950	-66	+154	+671	+206	+194	+450	-101	-254	-348	+308
	4	+150	+904	-1,648	-222	-386	-435	+166	-45	+1,302	-1	+708	+44	+537
1980	1	-18	+1,429	-2,139	+10	-328	+778	+45	+455	+256	-324	-508	-188	-532
	2	+656	+937	-1,977	-13	-166	+311	+448	-94	+983	-563	-71	-87	+364
	3	+55	+987	-1,818	-2	-404	+547	+437	-80	+824	-668	-21	-42	-185
	4	-104	+1,301	-2,270	-86	-272	+382	+15	+36	+495	-945	-166	+100	-1,514
1981	1	+82	+348	-3,010	-128	-12	-580	-95	+187	+301	-1,229	+245	-130	-4,022
	2	-156	+1,262	-2,399	-111	-164	-751	+152	+21	+902	-433	-588	+382	-1,883
	3	-11	+757	-2,176	-5	-56	+119	+95	+49	+1,015	-796	-105	+56	-1,058
	4	+273	+801	-3,012	-92	-652	+2,616	+106	-375	+389	-485	+484	-228	-175
1982	1	-52	+1,094	-3,010	-210	-245	+1,646	-46	+511	+1,148	-1,097	+353	-239	-146
	2	-106	+710	-2,313	-23	-196	+535	+82	-301	+1,492	+208	+36	-39	+85
	3	-	+694	-2,191	-2	-352	+1,179	-165	+345	+1,033	-1,337	+313	+150	-334

---

1. Assets: increase–/decrease+. Liabilities: increase+/decrease–. Excluding official financing.
2. Excluding trade credit between 'related' firms, after deducting advance and progress payments to suppliers. Net credit extended by UK merchants on third country trade is included within export credit.
3. Excluding changes in levels resulting from changes in sterling valuation: see notes on pages 40 and 51 of 'UK Balance of Payments 1982 Edition'.
4. Sterling reserves of overseas countries and international organisations, other than the IMF, as reported by banks, etc. in the UK.
5. Prior to 1982 includes transactions by 'other financial institutions'. For 1982 onwards these data relate only to transactions reported by UK monetary sector institutions. Transactions by 'other financial institutions' (for which levels data are included within Tables 15,16 and 17) are included within 'other external borrowing or lending'.
6. Excluding credit for UK exports.
7. From 1982 onwards includes transactions by 'other financial institutions' (see footnote 5). The estimate included for the latest quarter excludes a substantial part of the private sector borrowing from and lending to banks etc., overseas.

OVERSEAS INVESTMENT IN UNITED KINGDOM[1]

TABLE 8

Not seasonally adjusted

£ million

		Direct[2]				Portfolio				Net issues abroad[4]				
		Un-remitted profits	Other	Total	Invest-ment by oil com-panies	Invest-ment in UK company secur-ities	British govern-ment stocks[3]	British govern-ment foreign currency bonds	Local author-ities secur-ities	Public corpor-ations	Local author-ities	Total	Miscell-aneous invest-ment	Total overseas invest-ment in UK
1976		+541	+258	+799	+819	+259	+116	–	+14	+49	–	+438	+35	+2,091
1977		+837	+489	+1,326	+1,131	+421	+979	+395	+28	+30	–	+1,853	+89	+4,399
1978		+720	+572	+1,292	+666	+12	–3	–	+4	–93	–5	–85	+35	+1,908
1979		+1,297	+521	+1,818	+1,215	+351	+929	–	+41	–6	–62	+1,253	+75	+4,361
1980		+838	+1,738	+2,576	+1,714	+264	+571	–	+19	–1	–	+853	+100	+5,243
1981		+1,027	–153	+874	+1,904	+320	+201	–	–	–13	–	+508	+70	+3,356
1979	1	+174	+40	+214	+91	+41	+236	–	+13	–4	–	+286	+5	+596
	2	+407	+231	+638	+544	+89	+67	–	+12	–1	–	+167	+10	+1,359
	3	+290	+208	+498	+293	+97	+421	–	+8	–	–	+526	+35	+1,352
	4	+426	+42	+468	+287	+124	+205	–	+8	–1	–62	+274	+25	+1,054
1980	1	+398	+443	+841	+479	+79	–28	–	+11	–1	–	+61	+30	+1,411
	2	+255	+172	+427	+460	+40	+646	–	+10	–	–	+696	+10	+1,593
	3	+142	+249	+391	+496	+80	+53	–	+2	–	–	+135	+20	+1,042
	4	+43	+874	+917	+279	+65	–100	–	–4	–	–	–39	+40	+1,197
1981	1	+217	–508	–291	+579	+35	+89	–	+1	–8	–	+117	+25	+430
	2	+221	+519	+740	+407	+100	–157	–	+2	–1	–	–56	+15	+1,106
	3	+373	–375	–2	+634	+110	–6	–	–2	–3	–	+99	+15	+746
	4	+216	+211	+427	+284	+75	+275	–	–1	–1	–	+348	+15	+1,074
1982	1	+451	+185	+636	+403	–10	–48	–	–	–4	–	–62	+65	+1,042
	2	+275	–169	+106	+594	–20	+11	–115	–1	–1	–	–126	+30	+604
	3	+288	+30	+318	+351	–	–	–	–	–	–	–	+25	+694

---

1. Net of disinvestment. Liabilities:increase+/decrease–.
2. Excluding the transactions of oil companies.
3. Excluding investments by central monetary institutions and international organisations.
4. Excluding official financing.

UK PRIVATE INVESTMENT OVERSEAS[1]

TABLE 9

Not seasonally adjusted

£ million

		Direct[2]					
		Unremitted profits	Other	Total	Oil companies' and other miscellanous investment	Portfolio	Total
1976		–1,454	–691	–2,145	–214	+90	–2,269
1977		–1,292	–593	–1,885	–461	+12	–2,334
1978		–1,259	–1,481	–2,740	–821	–1,073	–4,634
1979		–1,636	–1,152	–2,788	–2,858	–909	–6,555
1980		–1,646	–1,845	–3,491	–1,566	–3,147	–8,204
1981		–2,184	–2,973	–5,157	–1,380	–4,060	–10,597
1979	1	–336	–219	–555	–711	–250	–1,516
	2	–354	–594	–948	–451	–42	–1,441
	3	–501	–71	–572	–1,077	–301	–1,950
	4	–445	–268	–713	–619	–316	–1,648
1980	1	–520	–530	–1,050	–563	–526	–2,139
	2	–404	–925	–1,329	–327	–321	–1,977
	3	–388	–117	–505	–233	–1,080	–1,818
	4	–334	–273	–607	–443	–1,220	–2,270
1981	1	–587	–639	–1,226	–434	–1,350	–3,010
	2	–520	–551	–1,071	–368	–960	–2,399
	3	–605	–587	–1,192	–294	–690	–2,176
	4	–472	–1,196	–1,668	–284	–1,060	–3,012
1982	1	–512	–623	–1,135	–295	–1,580	–3,010
	2	–544	–326	–870	–183	–1,260	–2,313
	3	–535	–305	–840	–311	–1,040	–2,191

---

1. Net of disinvestment. Assets: increase–/decrease+.
2. Excluding the transactions of oil companies but including investment by a number of public corporations.

OFFICIAL LONG-TERM CAPITAL [1]

TABLE 10

Not seasonally adjusted

£ million

		Inter government loans				Other official long-term capital		
		Made by UK	Repaid to UK	Repaid by UK	Total	UK subscriptions, to IDA, etc.	Other	Total official long-term capital [2]
1976		-54	+37	-21	-38	-110	-13	-161
1977		-44	+48	-68	-64	-212	-26	-303
1978		-71	+46	-65	-90	-225	-21	-336
1979		-81	+70	-116	-128	-259	-14	-401
1980		-61	+112	-57	-6	-53	-32	-91
1981		-76	+86	-73	-64	-222	-51	-336
1979	1	-25	+19	-	-6	-67	-6	-78
	2	-24	+14	-5	-15	-10	-10	-35
	3	-18	+18	-56	-56	-	-10	-66
	4	-14	+19	-55	-51	-182	+12	-222
1980	1	-15	+36	-	+22	-5	-7	+10
	2	-17	+24	-5	+2	-12	-3	-13
	3	-12	+27	-	+14	-9	-7	-2
	4	-17	+25	-52	-44	-27	-15	-86
1981	1	-34	+23	-	-11	-97	-21	-128
	2	-15	+20	-6	-2	-98	-10	-111
	3	-16	+18	-	+2	-	-7	-5
	4	-11	+25	-67	-53	-27	-13	-92
1982	1	-20	+19	-	-1	-196	-13	-210
	2	-12	+17	-7	-3	-9	-11	-23
	3	-8	+16	-	+9	-4	-7	-2

1. Assets: increase-/decrease+. Liabilities: increase+/decrease-.
2. Components and totals are rounded independently.

IMPORT AND EXPORT CREDIT [1]

TABLE 11

Not seasonally adjusted

£ million

		Import credit					Export credit						
		Credit received by UK businesses					Credit extended by UK banks						
		Identified long-term [2]	Other	Total	Advance and progress payments	Total	Identified long-term	Other	Total	of which: UK banks' lending in sterling	Suppliers' credit [3]	Advance and progress payments	Total
1976		-79	+246	+167	-56	+111	-706	-111	-817	-817	-580	+294	-1,103
1977		+76	+130	+206	+74	+280	-601	+13	-588	-578	-315	+268	-635
1978		-70	+163	+93	+198	+291	-625	+58	-567	-360	-490	+135	-922
1979		-173	+364	+191	-130	+61	-440	+89	-351	+110	-805	+300	-856
1980		+1	-211	-210	-58	-268	-808	-77	-885	-32	-204	+187	-902
1981		-68	+162	+94	+21	+115	-797	+127	-670	+324	-475	+146	-999
1979	1	-62	+17	-45	-37	-82	-99	+12	-87	-29	-206	+55	-238
	2	-32	+183	+151	-69	+82	-107	+26	-81	+15	-376	+132	-325
	3	-26	+72	+46	+39	+85	-47	+18	-29	+50	+42	+56	+69
	4	-53	+92	+39	-63	-24	-187	+33	-154	+74	-265	+57	-362
1980	1	+37	-9	+28	-6	+22	-192	-94	-286	-94	-109	+45	-350
	2	+61	-22	+39	+7	+46	-151	+1	-150	+41	-46	-16	-212
	3	-63	-90	-153	-51	-204	-246	-23	-269	-24	+7	+62	-200
	4	-34	-90	-124	-8	-132	-219	+39	-180	+45	-56	+96	-140
1981	1	-	-	-	-83	-83	+29	+70	+99	+333	-136	+108	+71
	2	-28	+41	+13	+39	+52	-303	+112	-191	+114	-26	+1	-216
	3	-17	+146	+129	+84	+213	-244	-55	-299	-67	-61	+91	-269
	4	-23	-25	-48	-19	-67	-279	-	-279	-56	-252	-54	-585
1982	1	-23	-24	-47	-46	-93	-243	+5	-238	-66	+47	+39	-152
	2	+3	+10	+13	-23	-10	-299	-	-299	-55	+99	+14	-186
	3	-21	-57	-78	+59	-19	-315	+16	-299	-125	-4	-30	-333

1. Excluding trade credit between 'related' firms. Assets: increase-/decrease+. Liabilities: increase+/decrease-.
2. Credit on ships, commercial aircraft and North Sea installations
3. Includes net credit extended by UK merchants on third-country trade.

OTHER TRANSACTIONS [1]

TABLE 12

Not seasonally adjusted

£ million

		Other external borrowing or lending [2]						Other transactions			
		Borrowing from banks etc. overseas by									
		Public corporations [3]	Local authorities [3,4]	Total public sector [3]	UK private sector[5]	Bank deposits and lending overseas[5]	Total	Official assets and liabilities (net)	Other commercial short-term transactions (net)	IMF expenditure and receipts in sterling	Total
1976		+27	–	+27	+240	–146	+121	+19	–217	–	–198
1977		+746	+4	+750	+318	–254	+813	+52	+4	–	+56
1978		+11	+11	+22	+710	–626	+106	+77	–40	+14	+51
1979		–18	+10	–8	+955	–405	+541	+145	–200	–13	–68
1980		–184	+11	–173	+436	–1,028	–766	–150	–67	–	–217
1981		–29	+4	–25	+574	–514	+36	+196	–116	–	+80
1979	1	–40	–	–40	+151	–35	+75	+80	–3	–	+77
	2	+22	–	+22	+155	–165	+12	–47	+219	–13	+159
	3	+1	–	+1	–179	–76	–254	–46	–302	–	–348
	4	–1	+10	+9	+828	–129	+708	+158	–114	–	+44
1980	1	–100	+6	–94	+108	–522	–508	–120	–68	–	–188
	2	–76	–	–76	+131	–125	–71	+23	–110	–	–87
	3	+1	+5	+6	–164	+137	–21	+20	–62	–	–42
	4	–9	–	–9	+361	–518	–166	–73	+173	–	+100
1981	1	–2	+1	–1	+183	+62	+245	–92	–38	–	–130
	2	–9	+2	–7	–290	–291	–588	+259	+123	–	+382
	3	+13	+1	+14	+154	–273	–105	+60	–4	–	+56
	4	–31	–	–31	+527	–12	+484	–31	–197	–	–228
1982	1	–29	–	–29	–635	+1,017	+353	–287	+48	–	–239
	2	–51	–1	–52	+237	–149	+36	+202	–241	–	–39
	3	–2	–	–2	+153	+162	+313	+97	+53	–	+150

---

1. Assets: increase–/decrease +.
   Liabilities: increase+/decrease –.
2. Net of repayments.
3. Excluding net foreign currency borrowing under the exchange cover scheme which is included under 'official financing'.
4. Includes a loan to Northern Ireland Central Government (£1 million in 1981 Q1).
5. From 1982 onwards includes transactions by 'other financial institutions' (see footnote 5 to Table 7). The estimate included for the latest quarter excludes a substantial part of private sector business with banks etc. overseas.

THE UK CONTINENTAL SHELF OIL AND GAS PROGRAMME [1]

TABLE 13

Not seasonally adjusted

				£ million					
		Volume of sales		Value of sales		Identifiable balance of payments entries			
		Gas (billion cubic metres)	Oil (million tonnes)[2]	Gas	Oil	Import of goods[3]	Imports less exports of services	I.P.D. due abroad[4]	Overseas investment in UKCS etc[5]
1976		38.3	11.8	258	645	–536	–647	–24	+1,142
1977		40.4	37.8	317	2,226	–531	–704	–550	+1,508
1978		38.5	53.1	432	2,805	–185	–543	–744	+791
1979		38.8	77.5	538	5,689	–171	–436	–1,368	+696
1980		36.4	79.2	647	8,851	–144	–469	–2,215	+841
1981		35.5	89.6	843	12,341	–377	–561	–2,351	+1,661
1979	1	14.0	17.7	182	1,005	–15	–87	–291	+179
	2	8.6	19.4	110	1,314	–15	–94	–336	+200
	3	5.3	20.9	78	1,638	–65	–115	–373	+100
	4	10.9	19.5	168	1,732	–76	–140	–368	+217
1980	1	13.4	19.8	197	2,132	–19	–101	–571	+195
	2	7.1	19.5	125	2,222	–50	–109	–618	+129
	3	4.4	19.1	92	2,160	–26	–116	–488	+319
	4	11.5	20.8	233	2,337	–49	–143	–538	+198
1981	1	12.3	22.0	257	2,822	–40	–91	–546	+454
	2	7.1	21.8	163	3,042	–149	–136	–466	+344
	3	4.3	22.3	123	3,134	–145	–141	–508	+618
	4	11.8	23.5	300	3,343	–43	–193	–831	+245
1982	1	12.9	22.9	318	3,140	–31	–161	–633	+562
	2	6.6	25.8	191	3,421	–78	–152	–544	+135
	3	5.1	25.9	138	3,729	–142	–181	–611	+290

---

1. No attempt has been made to measure the impact of the oil and gas programme on the balance of payments accounts. The problems involved are described briefly in Chapter 9 of 'United Kingdom Balance of Payments 1982 Edition' (the 'Pink Book').
2. Including condensates and petroleum gases.
3. Identified direct imports of goods for use on UKCS.
4. Profits of UK subsidiaries of overseas companies earned in respect of their UKCS operations (including profits retained in the United Kingdom); interest paid overseas by public corporations on their borrowing for the UK Continental Shelf programme; and rough estimates of interest paid on foreign currency borrowing from UK banks in respect of the UKCS programme.
5. Overseas investment for use in the UK Continental Shelf programme (including profits of UK subsidiaries of overseas companies retained in the United Kingdom); foreign currency borrowing from UK banks for use on the Shelf; borrowing abroad by public corporations for use on the Shelf; identified trade credit and progress payments on imports of platforms, rigs, etc.

OFFICIAL FINANCING [1]

TABLE 14

£ million

		Net transactions with overseas monetary authorities							Foreign currency borrowing:			
		International Monetary Fund [2]				Other monetary authorities [3]						
		UK drawings	UK re-purchases	Other net drawings[4]	Total	Foreign currency deposits	Other	Total	by HM Government[5]	by public bodies under exchange cover scheme[6]	Drawings on (+): additions to(–) official reserves[7]	Total official financing
1976		+1,018	–	–	+1,018	–20	–14	–34	–	+1,791	+853	+3,628
1977		+1,525	–412	–	+1,113	–	–	–	+871	+243	–9,588	–7,361
1978		–	–948	–68	–1,016	–	–	–	+191	–378	+2,329	+1,126
1979		–	–596	–	–596	–	–	–	-	-250	–1,059	–1,905
1980		–	–140	–	–140	–	–	–	–629	–312	–291	–1,372
1981		–	–145	–	–145	–	–	–	–1,234	–353	+2,419	+687
1979	1	–	–	–	-	-	–	-	–	+76	–955	–879
	2	–	–522	–	–522	–	–	–	-	–168	–68	–758
	3	–	–36	–	–36	–	–	-	-	–109	–152	–297
	4	–	–38	–	–38	–	–	-	-	-49	+116	+29
1980	1	–	–36	–	–36	–	–	–	–	–196	–457	–689
	2	–	–35	–	–35	–	–	–	-	–71	–140	–246
	3	–	–35	–	–35	–	–	-	–480	+13	+223	–279
	4	–	–34	–	–34	–	–	-	–149	–58	+83	–158
1981	1	–	–33	–	–33	–	–	–	–	+33	–319	–319
	2	–	–35	–	–35	–	–	-	–942	–306	+1,448	+165
	3	–	–38	–	–38	–	–	-	–292	–128	+1,167	+709
	4	–	–39	–	–39	–	–	–	–	+48	+123	+132
1982	1	–	–38	–	–38	–	–	–	-	+58	+11	+31
	2	–	–60	–	–60	–	–	–	-	+22	+699	+661
	3	–	–32	–	–32	–	–	–	-	+73	–288	–247

---

1. From 23 August 1971, valued in sterling at market related rates of exchange.
2. Components and the total are rounded independently. From July 1972, excludes transactions which affect the UK reserve position in the IMF. UK drawings on the oil facility are included.
3. Net borrowing from other monetary authorities in the form of foreign currency deposits and assistance with a sterling counterpart, and other special swaps.
4. Drawings (–) and repurchases (+) in sterling by other countries.
5. Drawings on (+) and repayments of (–) two euro-dollar facilities for HM Government to borrow $2,500 million and $1,500 million, and $350 million bond issue in New York.
6. Includes loans from the European Investment Bank to the Northern Ireland Central Government (£15 million in 1979 Q1 and £4 million in 1981 Q1) and to British Nuclear Fuels Ltd., (£4 million in 1979 Q1;£4 million in 1980 Q2; £40 million in 1980 Q4; £17 million in 1981 Q1 and £50 million in 1982 Q3) and subsequent repayments thereof.
7. From July 1972, includes transactions affecting the UK reserve position in the IMF.

EXTERNAL LIABILITIES AND CLAIMS OF UK MONETARY SECTOR(1) IN FOREIGN CURRENCIES

TABLE 15

£ billion

End of period

			Country analysis									Analysis by type of customer		
		Total	EC countries[2]	Other Western Europe	North America	Other developed countries[3]	Eastern Europe	Oil exporting countries[3]	Off-shore banking centres[3]	Other developing countries	Unallocated[4]	Central monetary institutions	Other banks[5]	Other
UK liabilities[6]														
1976		87.3	20.5	15.9	9.3	2.5	1.1	16.6	12.0	7.4	1.9	75.3		12.0
1977		89.3	20.7	17.2	10.8	1.4	0.9	16.6	11.1	8.6	2.1	76.6		12.7
1978		104.6	23.6	20.3	15.0	2.4	1.2	15.0	14.0	10.7	2.5	20.5	67.9	16.1
1979		126.8	26.5	22.6	20.0	3.8	2.0	20.5	15.5	11.8	4.0	27.6	76.7	22.5
1980	1	138.3	27.9	24.7	21.5	5.2	1.3	22.5	18.2	11.4	5.7	26.7	86.3	25.2
	2	134.7	26.8	23.8	21.6	4.9	1.1	21.9	18.0	10.9	5.7	26.1	84.7	24.0
	3	135.0	25.5	24.2	19.6	5.7	1.3	23.6	18.5	10.7	5.9	26.3	83.9	24.8
	4	144.9	29.7	24.7	20.8	7.3	1.7	24.6	20.3	10.8	5.0	24.5	92.5	27.9
1981	1	162.4	33.8	24.7	24.5	9.8	1.1	28.0	23.0	11.4	6.0	25.9	103.5	32.9
	2	188.6	37.2	29.7	30.9	10.0	1.1	32.0	26.7	13.0	8.0	28.0	121.9	38.7
	3	213.8	40.2	32.7	39.4	12.8	1.4	36.2	29.9	13.5	7.7	29.3	137.4	47.1
	4	219.6	40.9	34.6	41.1	11.6	1.6	34.2	30.3	13.9	11.5	28.0	142.9	48.8
1982	1	241.4	44.0	38.0	50.6	13.4	1.8	35.7	30.7	14.6	12.6	28.6	160.1	52.7
	2	244.4	41.7	38.3	59.8	9.5	1.8	33.1	31.6	14.9	13.6	27.6	164.8	51.9
	3	266.7	43.0	40.1	69.5	12.2	1.9	34.6	36.9	14.6	13.8	29.8	181.0	55.9
UK claims[6]														
1976		81.1	21.3	9.0	6.0	12.1	4.7	3.2	17.0	7.8	-	60.0		21.0
1977		83.0	24.4	10.1	6.9	8.4	4.6	4.8	15.5	8.1	0.1	60.9		22.1
1978		99.4	30.9	11.7	7.3	8.7	5.3	7.0	18.2	10.0	0.2	3.6	69.7	26.1
1979		121.4	34.3	14.0	13.0	10.6	5.9	8.1	22.2	12.9	0.4	1.7	90.1	29.5
1980	1	132.3	35.2	15.9	14.8	12.4	5.9	8.1	24.8	14.7	0.4	2.2	97.6	32.5
	2	129.1	35.9	15.1	13.4	12.8	5.7	7.9	23.4	14.6	0.4	1.6	94.5	33.0
	3	129.5	35.6	15.6	12.4	14.3	5.7	7.9	22.4	15.2	0.4	1.5	94.0	34.0
	4	139.5	38.5	17.4	12.5	16.2	5.9	8.5	23.5	16.4	0.6	1.6	103.0	35.0
1981	1	157.2	45.4	17.3	15.5	18.3	6.2	8.4	26.7	18.8	0.5	1.9	116.2	39.0
	2	184.3	51.6	20.4	18.8	19.9	7.1	10.2	33.0	22.7	0.7	1.7	135.9	46.7
	3	209.5	57.6	22.8	22.7	24.3	7.6	11.8	36.7	25.4	0.7	2.6	149.1	57.8
	4	213.7	59.3	23.3	23.8	23.8	7.4	11.8	35.3	25.6	3.3	2.1	151.8	59.8
1982	1	233.4	65.2	24.8	28.7	27.2	7.5	12.6	36.7	27.6	3.2	2.3	167.1	63.9
	2	235.7	65.9	26.0	33.6	23.1	7.6	13.2	35.3	27.5	3.5	3.2	166.3	66.3
	3	256.3	70.1	26.6	39.7	25.8	7.5	14.8	39.5	27.7	4.7	2.2	183.6	70.4
Net liabilities[6,7]														
1976		6.2	-0.8	6.9	3.3	-9.6	-3.5	13.5	-5.0	-0.4	1.9	15.2		-9.0
1977		6.3	-3.7	7.1	3.8	-7.0	-3.7	11.8	-4.5	0.5	2.0	15.7		-9.4
1978		5.2	-7.4	8.5	7.6	-6.3	-4.1	7.9	-4.1	0.7	2.3	17.0	-1.7	-10.0
1979		5.4	-7.8	8.6	6.9	-6.8	-3.9	12.4	-6.6	-1.1	3.6	25.9	-13.5	-7.0
1980	1	5.9	-7.3	8.8	6.7	-7.3	-4.6	14.4	-6.7	-3.4	5.3	24.6	-11.3	-7.4
	2	5.6	-9.1	8.7	8.1	-7.9	-4.5	14.1	-5.3	-3.6	5.3	24.5	-9.8	-9.0
	3	5.5	-10.2	8.5	7.3	-8.5	-4.4	15.7	-3.9	-4.6	5.5	24.7	-10.1	-9.2
	4	5.5	-8.7	7.3	8.3	-8.9	-4.3	16.1	-3.2	-5.6	4.4	23.0	-10.5	-7.0
1981	1	5.2	-11.6	7.3	9.1	-8.6	-5.1	19.6	-3.7	-7.4	5.6	24.0	-12.7	-6.1
	2	4.3	-14.4	9.3	12.1	-9.9	-5.9	21.8	-6.3	-9.6	7.3	26.4	-14.0	-8.1
	3	4.3	-17.3	9.9	16.6	-11.5	-6.2	24.4	-6.7	-11.9	7.0	26.6	-11.7	-10.7
	4	5.9	-18.5	11.4	17.3	-12.2	-5.9	22.4	-5.0	-11.7	8.1	25.8	-8.9	-11.0
1982	1	7.9	-21.2	13.2	22.0	-13.7	-5.7	23.1	-6.0	-13.0	9.5	26.2	-6.9	-11.3
	2	8.7	-24.2	12.3	26.2	-13.5	-5.7	19.9	-3.7	-12.6	10.1	24.4	-1.5	-14.3
	3	10.4	-27.0	13.5	29.8	-13.7	-5.6	19.8	-2.6	-13.0	9.1	27.6	-2.7	-14.5

---

1. Including liabilities and claims of certain other financial institutions; from 1982 onwards, the transactions of these other financial institutions are not included as UK banks' transactions in Table 7. Amounts outstanding include revaluations in sterling terms, liabilities incurred by UK banks in respect of borrowing by public bodies under the exchange cover scheme and HM Government drawings on two euro-dollar facilities, and UK banks' claims in respect of export credit in foreign currencies; thus they are not fully comparable with the transactions shown in Table 7.
2. Greece is included as an EC country from the beginning of 1981.
3. 'Oil-exporting countries' and 'offshore banking centres' are defined in Table 16. 'Other developed countries' here comprises only Australia, Japan, New Zealand and South Africa.
4. Including international organisations and unallocated items. From end-1981 onwards the reporting population for total liabilities and claims is larger than before, but the reporting population for the area detail is smaller than before, with a consequent rise in unallocated liabilities and claims. On the old basis total liabilities at end-1981 were £216.4 billion, and total claims £210.0 billion.
5. Including unallocated items - see footnote 4.
6. The figures for 1979 are not consistent with those for earlier periods because of coverage differences. A comparable figure for total net liabilities at the end of 1978 would be about £300 million higher than that shown.
7. Minus sign indicates that claims exceed liabilities.

EXTERNAL LIABILITIES AND CLAIMS IN STERLING: GEOGRAPHICAL ANALYSIS

TABLE 16

£ million

End of period

		EC countries[1]	Other developed countries[2]	Eastern Europe	Off-shore banking centres[3]	Oil exporting countries[4]	Other developing countries	Inter-national organ-isations	Unalloc-ated[5]	Total	of which: Overseas banks[5,6]
Exchange reserves held by overseas monetary authorities[7]											
1976		186		252		1,420	328	445	16	2,647	
1977		174		234		1,360	334	720	30	2,852	
1978		171		213		1,006	325	898	20	2,633	
1979		153		307		1,205	506	1,102	47	3,320	
1980	1	173		306		1,670	508	1,068	60	3,785	
	2	164		461		1,902	559	997	56	4,139	
	3	167		542		2,105	588	1,017	77	4,496	
	4	158		508		2,238	588	1,108	69	4,669	
1981	1	172		412		2,465	509	1,120	83	4,761	
	2	189		380		2,602	595	1,101	67	4,934	
	3	228		433		2,615	543	1,209	50	5,078	
	4	216		349		2,470	474	1,143	94	4,746	
1982	1	241		281		2,551	597	1,378	163	5,211	
	2	189		340		2,473	462	1,386	142	4,992	
	3	202		584		2,352	456	1,373	205	5,172	
Banking and money market liabilities to holders other than OMA's											
1976		898	935	59	230	498	852		12	3,484	1,128
1977		1,310	1,252	59	411	747	1,180		6	4,965	1,877
1978		1,265	1,335	68	351	984	1,246		9	5,258	1,696
1979		1,781	2,076	93	708	1,588	1,583		9	7,838	2,740
1980	1	1,523	2,122	74	834	1,769	1,675		10	8,007	2,742
	2	1,878	2,353	87	900	2,021	1,743		8	8,990	3,368
	3	2,072	2,617	85	992	2,146	1,889		13	9,814	3,748
	4	2,425	2,708	114	1,081	1,998	1,957		26	10,309	4,176
1981	1	2,767	2,609	79	1,094	2,046	2,005		10	10,610	4,332
	2	2,964	2,914	79	1,293	2,175	2,076		11	11,512	4,955
	3	3,160	3,265	148	1,491	2,214	2,233		16	12,527	5,384
	4	3,448	3,344	116	1,506	2,279	2,268		473	13,434	6,039
1982	1	3,618	3,721	88	1,705	2,489	2,542		428	14,591	6,433
	2	4,000	4,003	113	1,901	2,822	2,754		503	16,096	7,365
	3	4,120	4,555	102	2,054	2,895	2,844		566	17,136	7,829
Claims of UK banks[8]											
1976		719	2,024	471	343	860	1,448	5	8	5,878	607
1977		1,052	1,811	560	329	1,083	1,558	–	9	6,402	678
1978		1,281	1,958	689	422	1,216	1,692	–	14	7,272	740
1979		992	1,856	752	480	1,097	1,760	1	22	6,960	710
1980	1	1,168	2,025	804	514	1,084	1,743	3	25	7,366	970
	2	1,587	2,133	782	593	1,022	1,753	–	18	7,888	1,472
	3	1,892	2,320	798	724	1,059	1,737	33	17	8,580	2,062
	4	2,454	2,443	840	824	1,111	1,748	33	27	9,480	2,828
1981	1	2,977	2,765	865	1,148	805	1,756	35	25	10,376	3,642
	2	2,962	2,930	907	1,250	820	1,773	37	16	10,695	3,711
	3	3,046	3,286	938	1,392	881	1,951	45	19	11,558	4,091
	4	3,287	3,484	949	1,151	918	2,234	65	368	12,456	4,165
1982	1	3,636	3,826	1,022	1,211	898	2,401	68	548	13,610	4,273
	2	3,159	3,952	986	1,278	923	2,443	94	614	13,449	3,819
	3	3,845	4,227	981	1,365	1,017	2,490	176	816	14,917	4,174

---

1. Greece is included as an EC country from the beginning of 1981.
2. Western Europe other than EC countries; North America; Australia; Japan; New Zealand and South Africa.
3. Bahamas, Barbados, Berumuda, British Virgin Islands, Cayman Islands, Hong Kong, Lebanon, Liberia, Netherlands Antilles, Panama, Singapore, Vanuatu, and certain other West Indies.
4. Algeria, Bahrain, Brunei, Equador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Oman, Qatar, Saudia Arabia, Trinidad and Tobago, United Arab Emirates and Venezuela.
5. From end-1981 onwards the reporting population for total liabilities and claims is larger than before but the reporting population for the area detail is smaller than before, with a consequent rise in unallocated liabilities and claims. For exchange reserves the effect of these changes in coverage is minimal. On the old basis total banking and money market liabilities to other holders at end-1981 were £12,943 million; total claims of UK banks were £12,136 million.
6. In the liabilities section this comprises deposits placed with banks in the UK by banks abroad on their own account also deposits from banks' trustee accounts, which may orginate from non-banks: certificates of deposit are excluded. In the claims section this comprises only claims on banks' (other than OMA's) abroad in respect of loans, advances and balances; bills and acceptances are excluded.
7. Sterling reserves of overseas countries and international organisations (other than the IMF) as reported by UK banks etc.
8. Loans, advances and balances, and bills and acceptances, many of which represent export credit including those which have been refinanced (see Table 11).

EXTERNAL STERLING LIABILITIES: ANALYSIS BY COMPONENT
TABLE 17

£ million

End of period

		Exchange reserves in sterling held by central monetary institutions[1]							Banking and money market liabilities to holders other than CMI's		
			Banking and money market liabilities								
			External deposits with:								
		British government stocks[2]	Banks and other institutions[3]	Local authorities	Treasury bills	Total	Non-interest bearing notes	Total exchange reserves	External deposits with banks and other institutions[3,4]	Treasury bills	Total[5]
1976		1,101	720	159	448	1,327	219	2,647	3,470	14	3,484
1977		1,322	852	29	334	1,215	315	2,852	4,945	20	4,965
1978		1,103	601	44	431	1,076	454	2,633	5,253	5	5,258
1979		1,281	871	17	512	1,400	639	3,320	7,771	67	7,838
1980	1	1,326	1,017	24	795	1,836	623	3,785	7,978	29	8,007
	2	1,774	1,202	24	566	1,792	573	4,139	8,958	32	8,990
	3	2,211	1,183	38	501	1,722	563	4,496	9,785	29	9,814
	4	2,348	1,272	22	436	1,730	591	4,669	10,292	17	10,309
1981	1	2,253	1,315	37	477	1,829	679	4,761	10,595	15	10,610
	2	2,405	1,360	34	527	1,921	608	4,934	11,498	14	11,512
	3	2,500	1,384	23	521	1,928	650	5,078	12,512	15	12,527
	4	2,546	1,159	42	326	1,527	673	4,746	13,417	17	13,434
1982	1	2,500	1,502	31	362	1,895	816	5,211	14,561	30	14,591
	2	2,582	1,296	32	330	1,658	752	4,992	16,066	30	16,096
	3	2,417	1,539	26	448	2,013	742	5,172	17,084	52	17,136

1. Sterling reserves of overseas countries and international organisations (other then the IMF) as reported by UK banks etc.
2. Government stocks held by CMIs are revalued annually at mid-November at current market prices. This altered the fourth quarter values each year as follows: 1975+83, 1976-54, 1977+215, 1978-106, 1979-69, 1980+122 and 1981-61.
3. Includes sterling certificates of deposit.
4. Improvements in coverage in the second quarter of 1975 added some £180 million.
5. From end-1981 onwards the reporting population was increased - see footnote 5 to Table 16.

OFFICIAL FINANCING LIABILITIES AND OFFICIAL RESERVES [1,2,3,]
TABLE 18

£ million

End of period

			Other foreign currency borrowing			Official reserves					
						£ million	$ million				
		IMF[4]	By HM government	By public sector under exchange cover scheme	Total official financing liabilities	Total	Total	Gold	IMF special drawing rights	Convertible curr-encies[5]	Reserve position in the IMF
1976		1,205	1,469	5,646	8,320	2,426	4,129	888	728	2,513	-
1977		2,100	2,085	5,219	9,404	10,715	20,557	938	604	19,015	-
1978		1,055	2,131	4,579	7,765	7,689	15,694	964	500	14,230	-
1979		471	1,955	4,129	6,555	10,129	22,538	3,259	1,245	18,034	-
1980	1	433	2,010	3,989	6,432	12,460	26,963	6,996	1,418	18,325	224
	2	365	1,846	3,592	5,803	11,952	28,172	6,958	977	19,500	737
	3	327	1,340	3,559	5,226	11,572	27,637	6,947	985	18,855	850
	4	294	1,191	3,525	5,010	11,487	27,476	6,987	560	18,621	1,308
1981	1	273	1,271	3,761	5,305	12,583	28,212	7,277	1,110	18,546	1,279
	2	276	464	4,022	4,762	13,223	25,631	7,279	1,030	15,975	1,347
	3	254	193	4,170	4,617	13,088	23,696	7,309	1,045	13,848	1,494
	4	200	183	3,998	4,381	12,217	23,347	7,334	1,043	13,457	1,513
1982	1	156	196	4,207	4,559	10,637	18,969	4,546	1,042	11,949	1,432
	2	99	201	4,327	4,627	10,157	17,703	4,571	902	10,741	1,489
	3	68	206	4,527	4,801	10,798	18,299	4,561	979	11,256	1,503

1. Until end-March 1979 convertible currencies are valued in dollars at middle or central rates; Special Drawing Rights are valued at SDR1=$1.20635; gold is valued at $42.2222 per fine ounce.
2. From end-March 1979 the rates at which the reserves are valued in dollars are revised annually. Convertible currencies and SDRs are valued at the average of the middle market closing rates in the three months to end-March, or (from end-March 1980) at their actual dollar value on the last working day of March, whichever is the lower. Gold is valued at the average of the London fixing prices for the three months up to end-March less a 25 per cent discount or (from end-March 1980) at 75 per cent of its final fixing price on the last working day of March, whichever is lower. Before revaluation at end-March 1982, the level of official reserves was £13,002 million and the level of official financing liabilities was £4,714 million. Levels prior to revaluation at end-March of earlier years are given in earlier editions of 'Economic Trends'.
3. Data denominated or expressed in dollars are converted to sterling at end-period middle market rates.
4. Drawings from the IMF, excluding interest and charges and net of repayments to and drawings from the IMF by other countries in sterling. Excludes transactions which effect the UK reserve position in the Fund.
5. From July 1979 reserve holdings include European Currency Units acquired from swaps with the European Monetary Co-operation Fund. As shown above, these are included within convertible currencies and are valued at the average of the $/ECU or $/European Unit of Account exchange rates in the 3 months to end-March or at their actual dollar value on the last working day of March, whichever is lower.

The effects of taxes and benefits on household income, 1981

Summary of main results

During 1981 the Government raised and spent £117 billion. Directly or indirectly, most of the revenue is raised from UK households, and the expenditure benefits households. For any one household, payments and benefits will not necessarily be equal; the aim of this article is to determine how the balance varies by income level, and therefore how the distribution of income is altered by the tax-benefit system.

The main results of the analysis are:

(i) Taken together, taxes and benefits reduce income inequality. In 1981 they increased the share of total income to the bottom fifth of households on the income scale from ½ per cent to 7 per cent, and reduced the share to the top fifth from 46 per cent to 39 per cent. (Pages 95–107).

(ii) The position of a household on the household income scale depends to a large extent on its size and composition. When households are divided into ten types according to their composition, it can be seen that cash benefits, direct taxes and expenditure on the main social services all reduce income inequality within each type. However, indirect taxes (eg domestic rates and duty on tobacco) have an opposite, but much smaller, effect for most types of household. (Pages 107–101).

(iii) The spread of incomes *before* taxes and benefits has widened in recent years. While the share of such incomes to the bottom fifth of households has remained at ½ per cent, the share going to the top fifth has increased from 44½ per cent in 1977–79 to 45½ per cent in 1980 and 46 per cent in 1981. Incomes *after* taxes and benefits were also more unequally distributed in 1981 than in 1977, although slightly less so in 1981 than in 1980. (Pages 101–103).

(iv) Over half the households are in broadly the same *relative* position on the income scale after taxes and benefits as before redistribution. Larger households are likely to improve their position relative to smaller households. (Pages 103–105).

Introduction

The analysis in this article is based on the answers given by the 7,525 households in the Family Expenditure Survey (FES) in 1981. The survey collects information about the composition of each household and the income, direct tax and expenditure of household members. Response to the survey in 1981 was higher than in recent years, mainly because the payment for participating was increased, however this does not affect the broad pattern of the results. No correction for non-response bias in the FES has been made, except that purchases of certain items (notably of alcohol and tobacco) have been adjusted to bring the totals in line with the National Accounts.

The analysis starts with each household's *original* income – that is, its pre-tax income from earnings, investments and private pensions. Adding state pensions and all other state cash benefits yields *gross* income, and deducting income tax and National Insurance contributions gives *disposable* income. *Final* income is derived by (*a*) deducting payments of local rates, and estimates of payments of other indirect taxes (such as VAT) based on recorded expenditure, and (*b*) adding imputed benefits from public expenditure on education, health etc.

Altogether it has been possible to allocate only 60 per cent of revenue and 48 per cent of expenditure (Table A) and so the interpretation of these results should take account of two qualifications. First, the amount of taxes allocated to households exceeds the amount of benefits, so more significance should be attached to the broad patterns of redistribution than to the exact figures of gains and losses particularly in the middle of the distribution. The inclusion of other taxes and benefits might alter the detailed picture. Second, the methods used to allocate some of the taxes and benefits have been limited by the availability of data. It has not been possible to introduce more refined procedures that take account of, for example, second order effects of taxes and benefits on households other than those immediately affected.

The methods used in preparing the estimates are explained in Appendix 1 and the detailed results are given in Appendix 4.

Allocated and unallocated items of government revenue and expenditure,[1] 1981

TABLE A

	Percentage of total revenue	
	Allocated	Other
Revenue		
Income tax	24	—
National Insurance contributions	9	5
Local rates	6	3
Other taxes on expenditure	21	10
Other receipts (net)	—	12
Borrowing requirement	—	10
Total	60	40

	Percentage of total expenditure	
	Allocated	Other
Expenditure		
Final goods and services	20[2]	25
Grants to persons in UK	25	2
Subsidies	2[2]	3
Capital expenditure	—	8
Debt interest	—	11
Other	—	3
Total	48	52

[1] Appendix 4, Tables 1 and 2 give fuller details of government revenue and expenditure

[2] Principally on education, health and housing

Summary of the effects of taxes and benefits, 1981

TABLE B

	Decile groups of households ranked by original income										Average over all households
	Bottom	2nd	3rd	4th	5th	6th	7th	8th	9th	Top	
Average per household (£ per year)											
Original income	10	390	1,780	4,020	5,720	7,130	8,650	10,540	12,900	20,190	7,130
plus cash benefits	2,500	2,230	2,060	1,290	830	690	570	560	490	440	1,170
Gross income	2,510	2,620	3,830	5,310	6,550	7,820	9,220	11,100	13,390	20,640	8,300
less direct taxes	—	30	240	750	1,120	1,480	1,900	2,330	3,010	4,880	1,570
Disposable income	2,510	2,590	3,590	4,560	5,420	6,340	7,320	8,760	10,380	15,760	6,720
less indirect taxes	650	660	1,020	1,270	1,480	1,680	1,830	2,080	2,490	3,320	1,650
plus benefits in kind	1,180	1,030	1,100	1,280	1,360	1,340	1,340	1,360	1,320	1,430	1,270
Final income	3,040	2,970	3,670	4,570	5,300	6,000	6,830	8,050	9,210	13,870	6,350
Percent that are public sector tenants	69	44	39	39	37	35	28	18	20	14	34
Average per household (number)											
Children (i.e. under 16)	0·4	0·2	0·4	0·8	1·0	1·0	0·9	0·9	0·7	0·7	0·7
Adults	1·4	1·5	1·7	1·9	2·0	2·1	2·2	2·4	2·5	2·9	2·0
Retired people	0·9	1·1	0·8	0·4	0·2	0·1	0·1	0·1	0·1	0·1	0·4
Economically active people[1]	0·2	0·2	0·6	1·1	1·4	1·6	1·8	2·0	2·1	2·5	1·4

[1] Comprising employees, the self-employed and others not in employment but who are seeking or intending to seek work

Results for all households

There is wide variation in the size of households' original incomes (Table B). In 1981, the tenth of households with the lowest original incomes (the bottom 'decile group') had an average original income in the year of only £10, and the next decile group had an average of only £390. More than one in every five households is retired – defined as households where at least half the total income comes from retired people (Table C). Many such households have little or no original income (their state pensions are counted as cash benefits).

Retired households comprise three quarters of the households in the bottom two decile groups (that is, the bottom fifth, or 'quintile group'). The remainder are other households with no earners in them (mainly single adult and single parent households), and households whose only earners are out of work for all or part of the year or who have low earnings.

At the other end of the income scale, households comprising the top quintile group had an average original income of £16,500 in 1981. Nearly half these households contain three or more adults; and they have, on average, nearly 2½ economically active people each.

The composition of each quintile group of households ranked by original income,[1] 1981

TABLE C

	Quintile group					
	Bottom fifth	Next fifth	Middle fifth	Next fifth	Top fifth	Total
Percentages						
Household type						
1–2 adults retired	76	32	3	2	1	23
1 adult (other)	6	16	10	6	2	8
2 adults (other)	3	17	28	29	27	21
2 adults with children	6	19	42	38	22	26
3 or more adults	3	11	14	25	47	20
1 adult with children	6	5	2	1	—	3
Total	100	100	100	100	100	100

[1] Appendix 4, Table 8 gives fuller details

So the wide spread of original incomes springs in part from the numbers of households of different types within the total, the various types being concentrated in different parts of the income distribution. Comparing the spread of original incomes with the spread of final incomes (Table B) shows that taxes and benefits make the distribution of income between households much more equal. The different mix of household types within each quintile group again provides the key to understanding how this happens.

Cash benefits

Most cash benefits are designed to help the *aged*, the *sick* and *disabled*, and people on *low incomes* (Table D). Such people are concentrated in households in the lowest income groups, although some are in households further up the income scale; households in the lowest income groups thus receive, on average, the highest amounts from these benefits. Households in the middle and at the top of the income scale contain, on average, more children than those at the bottom (Table B), and hence receive on average more *Child Benefit*. However, in aggregate, cash benefits are much higher for low income than for high income households which is why they play such a large part in reducing income inequality.

Average value of cash benefits[1] for each quintile group of households ranked by original income, 1981

TABLE D

	Quintile group					
	Bottom fifth	Next fifth	Middle fifth	Next fifth	Top fifth	Total
£ per household						
Age-related	1,410	950	250	140	120	570
Income-related	670	350	130	90	90	270
Child-related	80	160	260	250	200	190
Other[2]	210	210	110	80	60	130
Total	2,370	1,670	760	560	470	1,170
Cash benefits as a percentage of gross income	92	37	11	6	3	14

[1] Appendix 4, Table 6 gives more details of cash benefits

[2] Mainly related to sickness and disability

Direct taxes

Direct taxes are assessed mainly on original income. Although retirement pensions are also subject to income tax, the personal tax allowances (including age allowances) are large enough to prevent households in the bottom fifth paying much tax. The percentage of gross income paid in *income tax* rises from 0·5 per cent for the bottom fifth to 19·0 per cent for the top fifth (Table E). The percentage paid as *employees' National Insurance contributions* also generally rises with household income (mainly because lower quintile groups include fewer economically active people), although it falls off for the top fifth. So direct taxes further reduce income inequality.

Direct taxes as a percentage of gross income for each quintile group of households ranked by original income, 1981

TABLE E

	Quintile group					
	Bottom fifth	Next fifth	Middle fifth	Next fifth	Top fifth	Total
Income tax	0·5	8·6	13·6	15·9	19·0	15·0
National Insurance contributions	—	2·3	4·5	4·9	4·2	3·9
Total	0·6	10·9	18·1	20·8	23·2	19·0

INDIRECT TAXES

Intermediate taxes

Some taxes such as VAT and excise duties on petrol or spirits, have a direct effect on the final price of goods and services. However, the final price also reflects taxes incurred by producers in their capacity as employers, rate-payers and buyers of goods and services. *Some* part of these taxes will eventually be paid by households. These are called intermediate taxes: examples are employers' National Insurance contributions and surcharge, non-domestic rates, hydrocarbon oils duty, etc. (Appendix 2 explains how the effects of these taxes are related to households' expenditure patterns.)

Supplementary Benefit and Rates

Supplementary Benefit (SB) tops up a household's income to match a 'needs' total which usually includes rent and rates. SB and rates are both included in full in the main tables. However, it can be argued, at the other extreme, that households receiving SB pass on the whole (or as much as possible) of their rates to the DHSS so that their effective rates burden is lower or even nil. Ranges are shown in Tables F and P for rates and total indirect taxes to reflect upper and lower extremes (Appendix 1, paragraph 23).

Indirect taxes

Unlike direct taxes and cash benefits, indirect taxes do not reduce income inequality. Overall they form a broadly similar proportion of disposable income for households at all income levels, so that their effect on redistribution is not great. However, proportionally they fall most heavily on the next-to-bottom fifth of households and are lightest on the top fifth. The individual taxes shown in Table F all have different effects and only *tobacco* and *intermediate* taxes (see box) fall most heavily on the next-to-bottom fifth and lightest on the top fifth of households. The proportion of disposable income paid as tobacco duty, in particular, is twice as high for the next-to-bottom fifth as for the top fifth. The impact of *domestic rates* (together with water etc charges, but net of rebates), is greatest on the bottom fifth of households and decreases as income rises. The proportion for the lowest fifth of households is reduced if rate payments received as part of Supplementary Benefit are excluded (see box), however, domestic rates are still higher as a proportion of disposable income at lower income levels than at higher income levels. *Other* taxes on final goods and services (eg television licences) also fall most heavily on the bottom fifth of households.

In contrast, excise duties on *wines* and *spirits* fall most heavily on the top fifth of households. Households in the middle of the distribution pay the largest proportion of disposable income in excise duties on *beer, petrol* and *vehicles*. The impact of all these taxes and of VAT is substantially lighter on the bottom fifth of households.

Benefits in kind

The average of all benefits in kind imputed to households increases with household income – from £1,100 for the bottom fifth to £1,380 for the top fifth (Table G). Different

Indirect taxes[1] as a percentage of disposable income for each quintile group of households ranked by original income, 1981

TABLE F

	Quintile group					
	Bottom fifth	Next fifth	Middle fifth	Next fifth	Top fifth	Total
Domestic rates (net)[2],[3]	3·7–7·1	4·9–5·5	4·1–4·3	3·4–3·5	2·7	3·5–3·9
VAT	5·2	7·0	7·3	7·1	7·1	7·0
Duty on beer	0·5	0·9	1·1	1·0	0·9	0·9
Duty on wines and spirits	0·7	1·1	0·9	1·1	1·3	1·1
Duty on tobacco	2·9	3·3	3·0	2·1	1·6	2·3
Duty on hydrocarbon oils	0·7	1·3	1·6	1·7	1·4	1·5
Car tax and vehicle excise duty	0·4	0·9	0·9	0·9	0·8	0·8
Other taxes on final goods and services	1·6	1·5	1·4	1·3	1·0	1·2
Intermediate taxes	6·4	6·6	6·2	5·6	5·4	5·8
Total[2]	22·8–25·5	27·6–28·0	26·7–26·9	24·2–24·3	22·2	24·2–24·5

[1] Appendix 4, Table 7 gives more detailed figures on indirect taxes

[2] Net of rate rebates, but including water, etc. charges

[3] The ranges reflect the alternative treatment of rates – see box above

Average value of benefits in kind[1] for each quintile group of households ranked by original income, 1981

TABLE G

	Quintile group					Average over all households
	Bottom fifth	Next fifth	Middle fifth	Next fifth	Top fifth	
£ per household						
Education	220	390	610	660	640	510
Welfare foods	30	30	20	20	20	30
Health	670	610	550	510	530	570
Housing subsidy	170	130	120	80	70	110
Other	10	30	50	70	120	60
Total	1,100	1,190	1,350	1,350	1,380	1,270
Benefits in kind as a percentage of final income	37	29	24	18	12	20

[1] Appendix 4, Table 7 gives more detailed figures on benefits in kind.

Percentage shares of total household income, 1981

TABLE H

	Percentage in each quintile group of households, re-ranked at each stage			
	Original income	Gross income	Disposable income	Final income
Quintile group				
Bottom fifth	0·6	5·6	6·7	7·1
Next fifth	8	11	12	12
Middle fifth	18	17	18	18
Next fifth	27	25	24	24
Top fifth	46	41	39	39
Total	100	100	100	100
Decile group				
Bottom tenth	—	2·3	2·7	2·8
Top tenth	28	25	24	23
Gini coefficient (per cent)	46·8	36·0	32·9	31·9

patterns emerge, however, for the individual benefits. For *education*, households have been allocated a share of total expenditure based on the number of pupils and students in the household (students away from the household are not counted). As households in the upper half of the income range have, on average, more children than those in the lower half they are credited with a higher average education benefit. Children in the lower income groups are most likely to take school meals, or to have them free of charge; this is why the pattern of *welfare foods* benefits differs from that for education.

Expenditure on *health* services has been allocated between households according to the average cost to the Exchequer of each type of service, and the estimated average use of the service by people of different types ie by age and sex. Old people tend to use health services much more than the young. This is why households in the bottom fifth, which include a high proportion of retired households, receive an average benefit of £670, compared with an average of £530 received by households in the top fifth.

The *housing* subsidy is, roughly, the amount by which local authority expenditure on council houses (including loan charges) exceeds income from council house rents and interest from sales. The total subsidy which includes both that from the Exchequer and that from the local authority rate fund has been allocated between public sector tenants[1]. As these tenants are concentrated towards the bottom end of the income scale, the lowest quintile group is credited with the highest average benefit from the housing subsidy of £170 (the averages being taken over all households, not just public sector tenants), compared with an average of £70 for the top fifth.

The '*other*' element of benefits in kind comprises the passenger rail travel subsidy and expenditure on the option mortgage scheme and on life assurance premium relief. These tend to benefit people of working age most of whom are in the middle and upper parts of the income range. The average benefit per household, thus increases from £10 in the lowest fifth to £120 for the top fifth.

In total, then, the higher income groups are allocated the highest average benefits from the public expenditure covered in Table G. However, as a proportion of final income the benefit decreases from 37 per cent for the lowest fifth to 12 per cent for the top fifth, which implies that this expenditure contributes to the reduction in income inequality.

An alternative way of illustrating the extent of income redistribution is given in Table H, which shows how income *shares* are modified by the tax-benefit system. For example, the top fifth of households in the ranking by *original* income receives 46 per cent of all original income. With cash benefits, the share of the top fifth falls to 41 per cent of all gross income. At the other end of the scale, the share of the bottom fifth rises from 0·6 per cent to 5·6 per cent. Further, but comparatively smaller, reductions in inequality occur at the stages of *disposable* and *final* income.

Though not without its drawbacks, the Gini coefficient is the most widely used single summary measure of the inequality of the distribution of income (see paragraph 37 of Appendix 1). It takes values between 0 and 100 per cent – the higher values indicating greater inequality. While it is dangerous to seek to draw detailed conclusions from isolated changes in the Gini coefficient, the Gini values shown in Table H clearly confirm that cash benefits account for the largest reduction in inequality.

Redistribution within each household type

The foregoing section looked at the distribution and redistribution of income between households irrespective of their compositions, or of their needs. As mentioned above, the position of a household in the income ranking depends on its composition as much as on the rates of pay etc. of its members. Furthermore, a household with three or more adults near the top of the income distribution is not necessarily 'better off' than a household with two adults lower down the income scale. The analysis in this section therefore looks at redistribution within groups of households of similar size and type.

Households are first divided into ten types according to their composition (Table J). The rankings by income level and the analysis of redistribution can then be repeated for each type separately. The ten groups comprise two retired types, three types with adults only, and five types containing children (aged under 16). Their exact definitions are given in Appendix 1 (paragraphs 6 to 10).

---

[1] See Appendix 1 paragraph 32. Housing subsidy does not include mortgage interest tax relief, rate rebates, or rent rebates and allowances.

The ten household types, 1981

TABLE J

	1 adult		2 adults		2 adults with children			3 or more adults		1 adult with children	All households
	Retired	Non-retired	Retired	Non-retired	1 child	2 children	3 or more children	With no children	With children		
Sample numbers	957	599	775	1,567	610	927	383	853	639	215	7,525
Average per household											
Children	—	—	—	—	1·0	2·0	3·3	—	1·6	1·8	0·7
Adults	1·0	1·0	2·0	2·0	2·0	2·0	2·0	3·4	3·4	1·0	2·0
Economically active people[1] – full-time	—	0·7	—	1·3	1·1	1·1	1·1	2·1	2·0	0·4	1·0
Economically active people[1] – part-time	—	0·2	—	0·3	0·4	0·5	0·4	0·5	0·6	0·2	0·3
Retired people	1·0	—	1·8	0·2	—	—	—	0·4	0·1	—	0·4
Average original income (£ per year) ..	700	5,250	1,780	9,230	8,260	8,460	7,590	12,150	11,170	3,380	7,130
Percentage that are public sector tenants	*47*	*28*	*37*	*26*	*30*	*28*	*46*	*34*	*39*	*60*	*34*

---

[1] See footnote[1] to Table B for definition of economically active

Percentage shares of income at each stage within each household type,[1] 1981

TABLE K

	Percentages in each quintile group of households, re-ranked at each stage									
	1 adult		2 adults		2 adults with children			3 or more adults		1 adult with children
	Retired	Non-retired	Retired	Non-retired	1 child	2 children	3 or more children	With no children	With children	
Original income										
Bottom fifth	—	2	—	6	7	8	3	6	6	—
Next fifth	1	11	3	13	15	15	13	14	14	2
Middle fifth	6	18	9	18	18	19	18	19	19	13
Next fifth	17	26	21	24	23	24	24	24	24	25
Top fifth	7	43	67	38	37	35	42	36	37	61
Total	100	100	100	100	100	100	100	100	100	100
Gross income										
Bottom fifth	13	7	12	9	10	10	9	9	10	8
Next fifth	16	13	14	14	15	15	14	14	15	12
Middle fifth	17	17	16	18	18	18	17	19	19	16
Next fifth	20	24	20	23	23	23	22	23	23	21
Top fifth	35	39	38	37	35	34	37	34	34	43
Total	100	100	100	100	100	100	100	100	100	100
Disposable income										
Bottom fifth	14	8	13	10	11	11	10	10	11	9
Next fifth	16	13	15	14	15	15	15	15	15	13
Middle fifth	18	17	17	18	18	19	18	19	19	16
Next fifth	20	23	21	23	22	22	21	23	22	20
Top fifth	32	38	34	36	34	33	36	33	33	41
Total	100	100	100	100	100	100	100	100	100	100
Final income										
Bottom fifth	12	8	12	9	11	11	11	11	12	9
Next fifth	17	14	16	14	15	16	16	15	16	14
Middle fifth	19	17	18	18	18	19	19	18	19	18
Next fifth	22	23	22	22	22	22	22	23	22	21
Top fifth	30	38	32	36	33	31	32	34	32	38
Total	100	100	100	100	100	100	100	100	100	100
Gini coefficients (per cent)										
Original income	75	41	66	32	29	28	38	30	30	63
Gross income	21	33	25	28	25	24	28	25	24	35
Disposable income	17	30	21	26	23	22	26	22	22	32
Final income	17	31	19	27	22	20	21	23	20	28

---

[1] Appendix 4, Table 5 gives more data for each household type

Average number of economically active[1] people per household by quintile group of original income within household type, 1981

TABLE L

	Household type[2]					
	1–2 adults retired	1 adult non-retired	2 adults non-retired	2 adults with children	3 or more adults	1 adult with children
Average per household (number)						
Bottom fifth	—	0·6	1·2	1·3	1·7	0·1
Middle three-fifths	—	1·0	1·7	1·6	2·7	0·7
Top fifth	—	1·0	1·8	1·7	3·3	0·9

[1] See footnote[1] to Table B for definition of economically active

[2] In Tables L to P some of the ten household types have been combined. The quintile groups have not been recalculated; the figures shown are simply weighted averages of the quintile groups of the constituent household types

The distribution of original (pre-benefit) income within the *retired* household types is very unequal (Table K), with over two thirds of the income going to the top quintile groups. This is because only some retired households (particularly the younger ones) have occupational pensions: most have extremely low original incomes, remembering that their state pensions are counted as cash benefits.

For *non-retired* household types the inequality of the distribution of original income is related to the variation in the number of earners per household. Substantial numbers of single adults and single parents are either unemployed or not economically active and this is one reason why the distributions of original income are particularly unequal for these household types. Even for non-retired household types with two or more adults, the top fifth of households accounts for at least 35 per cent of all original income in each case largely because of the variation in the number of earners per household. For two-adult households, for example, the top fifth of households have on average 1·8 economically active people and the bottom fifth have 1·2 (Table L).

Table K shows that, within each household type, taxes and benefits again reduce income dispersion. However, the individual components of the tax-benefit system do not all play the same part in this reduction as they played in the all-households analysis. The following paragraphs elaborate.

Cash benefits

Age-related benefits to retired households, and *child-related* benefits, are fairly evenly distributed within the household types concerned (Table M). *Income-related* benefits are, of course, concentrated on the lowest fifth of households within each type, as are benefits to the *sick and disabled* (who often have low incomes).

So, in total, as a proportion of gross income much the highest average cash benefit goes to the lowest fifth within each household type. This means that cash benefits reduce income inequality within each type. The reduction is particularly large for retired households, where cash benefits form a very high proportion of gross income.

Cash benefits by quintile group of original income within each household type, 1981

TABLE M

	Household type[1]					
	1–2 adults retired	1 adult non-retired	2 adults non-retired	2 adults with children	3 or more adults	1 adult with children
Average per household (£ per year)						
Age-related						
Bottom fifth	1,750	570	870	90	910	30
Middle three-fifths	1,790	290	200	10	260	230
Top fifth	1,650	60	70	—	140	160
Child-related						
Bottom fifth	—	—	10	530	260	550
Middle three-fifths	—	—	—	510	230	550
Top fifth	—	—	—	490	210	440
Income-related						
Bottom fifth	540	700	450	980	1,070	2,030
Middle three-fifths	250	50	70	60	250	870
Top fifth	40	—	20	30	120	80
Other[2]						
Bottom fifth	150	190	290	220	660	—
Middle three-fifths	170	20	90	50	140	80
Top fifth	130	—	40	20	90	20
Total cash benefits as a percentage of gross income						
Bottom fifth	100	72	36	40	45	100
Middle three-fifths	79	7	4	7	7	44
Top fifth	30	1	1	3	3	6

[1] See footnote[2] to Table L

[2] Mainly related to sickness and disability

Direct taxes as a percentage of gross income by quintile group of original income within each household type, 1981

TABLE N

	Household type[1]					
	1–2 adults retired	1 adult non-retired	2 adults non-retired	2 adults with children	3 or more adults	1 adult with children
(*a*) Income tax						
Bottom fifth	—	2·4	7·5	6·2	7·0	—
Middle three-fifths	2·4	17·1	16·1	14·2	15·6	4·5
Top fifth	16·9	21·6	20·2	18·3	19·6	10·7
(*b*) National Insurance contributions						
Bottom fifth	—	0·5	2·8	3·4	2·7	—
Middle three-fifths	—	4·6	5·0	5·0	4·8	1·9
Top fifth	—	4·0	3·9	3·7	4·3	2·7

[1] See footnote[2] to Table L.

Indirect taxes as a percentage of disposable income by quintile group of original income within each household type, 1981

TABLE P

	Household type[3]					
	1–2 adults retired	1 adult non-retired	2 adults non-retired	2 adults with children	3 or more adults	1 adult with children
(*a*) Domestic rates (net)[2]						
Bottom fifth[1]	2·4– 7·1	6·7– 9·0	4·8– 5·6	3·9– 5·3	2·2– 3·9	1·6– 9·3
Middle three-fifths[1]	5·1– 6·7	5·4	3·7	4·0	2·8– 3·0	4·2– 6·1
Top fifth[1]	5·5– 5·7	3·9	2·7	3·0	2·2– 2·3	3·2
(*b*) VAT						
Bottom fifth	4·2	6·7	7·0	8·4	7·6	4·4
Middle three-fifths	5·1	7·0	7·2	6·9	8·1	6·0
Top fifth	6·6	6·6	6·4	6·6	7·4	4·0
(*c*) Duty on beer						
Bottom fifth	0·7	0·8	1·0	1·1	1·4	0·1
Middle three-fifths	0·4	0·9	1·1	0·9	1·5	0·3
Top fifth	0·3	0·7	0·6	0·6	1·1	0·2
(*d*) Duty on wines and spirits						
Bottom fifth	0·5	1·0	1·0	0·7	1·0	0·2
Middle three-fifths	0·9	1·1	1·3	0·8	1·3	0·5
Top fifth	1·4	1·6	1·4	1·0	1·2	0·6
(*e*) Duty on tobacco						
Bottom fifth	2·7	4·0	3·5	5·0	4·6	4·5
Middle three-fifths	2·0	2·2	2·5	2·4	2·8	3·1
Top fifth	1·3	0·8	1·1	1·1	1·7	1·1
(*f*) Duty on hydrocarbon oils						
Bottom fifth	0·4	1·0	1·3	1·8	1·4	0·4
Middle three-fifths	0·7	1·3	1·7	1·7	1·7	1·1
Top fifth	1·2	1·7	1·2	1·3	1·6	0·8
(*g*) Car tax and vehicle excise duty						
Bottom fifth	0·3	0·6	0·8	0·9	0·7	0·3
Middle three-fifths	0·6	0·9	0·9	0·9	0·9	0·5
Top fifth	1·2	0·9	0·7	0·7	0·8	0·6
(*h*) Other taxes on final goods and services						
Bottom fifth	1·4	1·9	1·5	1·7	1·4	1·3
Middle three-fifths	1·6	1·3	1·2	1·4	1·2	1·7
Top fifth	1·3	1·2	0·9	1·2	0·9	1·0
(*j*) Intermediate taxes						
Bottom fifth	5·8	7·6	6·7	7·6	6·7	6·4
Middle three-fifths	6·0	6·1	5·5	6·0	6·2	7·1
Top fifth	5·7	4·8	4·8	5·6	5·3	4·3
(*k*) Total						
Bottom fifth[1]	19·1–22·9	30·8–32·6	27·8–28·4	31·5–32·5	27·3–28·5	20·5–26·7
Middle three-fifths[1]	22·8–24·1	26·2	25·0	25·0	26·4–26·6	24·8–26·2
Top fifth[1]	24·5–24·6	22·1	19·8	21·0	22·3	15·7

[1] The ranges reflect the possible different treatment of rates – see box on page 96.

[2] Net of rate rebates but including water, etc. charges.

[3] See footnote[2] to Table L.

Direct taxes

For retired households the sums paid as direct taxes are very small, except for the top fifth (Table N). For non-retired types *income tax* taken as a percentage of gross income generally increases with income. For National Insurance contributions, however, the percentage paid by the top fifth of households is lower than that for the middle income groups because of the income ceiling on contributions, and of the greater proportion of income earned by married women and by the self-employed. Taking these two taxes together, direct taxes reduce income inequality within each household type, although by less than do cash benefits.

Indirect taxes

For *retired* households payments of most indirect taxes rise as a proportion of disposable income as income rises (Table P). This is so because the lower income retired households spend a high proportion of their disposable income on items which carry little indirect tax eg food and heating. Apart from domestic rates, which are covered by Supplementary Benefit for many households, only duty on tobacco and beer have their largest impact on low income retired households. So within retired household types indirect taxes reduce income inequality.

In contrast, for *non-retired* household types indirect taxes as a proportion of disposable income is higher for low income households than for high income households. For most non-retired household types, this picture holds true for individual indirect taxes such as domestic rates and water etc charges, tobacco duty (tobacco consumption per adult is, if anything, higher in low income households than in high income households), for intermediate taxes, and, less markedly beer duty. The lower proportion of disposable income taken in the form of intermediate taxes for high income households is because these households spend a relatively low proportion of income on consumer goods and services and save more in various forms. For similar reasons, VAT also takes proportionately less of the disposable incomes of high income households within each household type. However, the bottom fifth of most non-retired household types in 1981 spent a higher proportion of their disposable income on food and housing which are zero rated for VAT than did households in the middle of the distribution.

Duties on *petrol* and *vehicles* as a proportion of disposable income vary little between income levels. Duties on *wines* and *spirits* tend to have greater impact on high income households. Overall indirect taxes increase income inequality within the non-retired household types.

Benefits in kind

Broadly speaking, the benefits from expenditure on *education* and *health* are fairly evenly distributed between the households within each composition type, although for a variety of reasons low income households tend to have slightly larger benefits. The highest average benefits from *welfare foods* go to households with the lowest incomes because of their higher than average use of school meals, or the greater proportion getting them free of charge. The average benefit from the *housing* subsidy is also substantially higher for low income households than for high income households within each type, because more of the low income households are public sector tenants. The average value of the '*other*' benefits (passenger rail travel subsidy, option mortgage expenditure and life assurance premium relief) is much higher for high income than for low income households. In total, benefits in kind reduce income inequality for each household type (see Appendix 4, Table 5).

TRENDS IN REDISTRIBUTION 1977-81

Last year's article[1] containing an analysis of trends in redistribution between 1976 and 1980 concluded that, while national household *original* income rose in real terms between 1976 and 1980, its distribution between households became somewhat more unequal. It also concluded that there was much the same increase in the inequality of the distribution of final income, as taxes and benefits did not counteract the trend increase in the spread of original incomes. In this year's article, trends between 1977 and 1981 have been studied and the conclusion is that the distribution of original income continued to become more unequal in 1981, although national household original income fell in real terms in that year compared with 1980. Final income was however, distributed slightly more equally in 1981 than in 1980. Before considering these results in detail we need to consider recent changes to the macro-economic aggregates of incomes, taxes and benefits and study how these and factors such as unemployment affect the analysis. It should be noted that revisions have been made to some of the figures for allocated taxes and benefits quoted in earlier articles (see Appendix 2).

Economic aggregates

According to the *National Accounts*, over the country as a whole household disposable income rose in cash terms throughout the period 1977–81 (Table Q). Taking account of inflation, real household disposable income grew by about 15 per cent from 1977 to 1979 and by 1 per cent in 1980, then fell by 2 per cent in 1981 to a lower level than in 1979. The purchasing power of gross (ie pre-tax) income also fell by 2 per cent in 1981 compared with 1980.

The *cash benefits* allocated in this article represented 13·6 per cent of gross household income in 1981 compared with about 11·9 per cent in 1977 (Table Q). There was a small increase to 12·3 per cent in 1978 caused by the introduction of Child Benefit (which is a cash benefit) to replace tax allowances for children (which were not). Between 1978 and 1980 gross household income and cash benefits both grew strongly and the proportion of gross

---

[1] *Economic Trends* No. 339, January 1982.

Incomes, taxes and benefits, 1977 to 1981

TABLE Q

	1977	1978	1979	1980	1981
Gross[1] household income £ billion	111·3	128·5	153·1	182·2	199·9
Household disposable income £ billion	87·7	103·0	124·0	146·9	159·4
At 1975 prices (Index numbers, 1975 =100)[2] ..	97	106	112	114	111
Allocated taxes and benefits as percentages of gross household income					
Allocated cash benefits ..	11·9	12·3	12·1	12·2	13·6
Allocated direct taxes ..	19·1	17·7	16·3	16·4	17·4
Allocated indirect taxes ..	15·4	15·0	15·9	16·4	17·5
Allocated benefits in kind ..	13·8	13·5	13·1	13·8	14·2

[1] 'Total household income' in the National Accounts, which is defined similarly to gross income.

[2] Percentage changes quoted in the text are based on unrounded data.

income derived from cash benefits remained much the same. In 1981 cash benefits increased sharply as a proportion of gross income. This was partly so because the major cash benefits continued to increase in line with price inflation, while gross income increased more slowly, and partly because the increase in the number of unemployed led to greater dependence on unemployment and supplementary benefit in 1981 than in previous years. Households with the lowest incomes in nearly all household types were generally more dependent on cash benefits in 1981 than in 1979.

The proportion of gross household income taken as *direct tax* fell between 1977 and 1979 – from 19·1 per cent to 16·3 per cent. The reduction was caused by two factors. First, the basic rate of income tax was cut from 34 per cent in 1977/78 to 30 per cent in 1979/80 and a lower (25 per cent) rate band was introduced in 1978/79. This led to a real fall in the burden of income tax for most households despite the withdrawal of tax allowances for children and a slight fall in the value of other allowances. Second, employees' National Insurance contributions fell as a proportion of gross household income. However, since 1979/80 the direct tax burden has increased. The lower rate band of income tax was abolished in 1980 and personal tax allowances were not raised in line with inflation in 1981. Furthermore, the rate of employees' National Insurance contributions was raised in both years. Income tax and National Insurance contributions took in aggregate a greater proportion of gross household income in 1981 than in 1979.

For the period 1977–81 as a whole, while the basic rate of income tax was lower in 1981 than in 1977, National Insurance contributions increased and the real value of tax allowances was reduced. The net effect of these changes, together with the increase in unemployment, is to reduce the proportion of gross household income taken in direct tax between 1977 and 1981. Households in the top fifth of nearly all household types paid 2–3 per cent less in direct tax in 1981 than in 1977 and there was a small reduction in tax for many of the lower income groups. Some households in the middle of the distribution pay slightly more tax.

Indirect taxes have increased as a proportion of gross income since 1977. After falling in 1978, the proportion increased in 1979 and 1980, mainly as a result of the increase in the standard rate of VAT in June 1979. There was a further increase to 17·5 per cent in 1981 due to large increases in local authority rates and in a number of specific duties, particularly on alcohol, tobacco and hydrocarbons. The increase in indirect taxation in 1981 was more marked as a proportion of gross income than of expenditure because real gross income fell whereas expenditure remained unchanged.

The increase in indirect taxes since 1979 has affected all households, particularly those with the lowest incomes within each household type. In 1981 for example, the lower quintile group of the two-adults-with-children household types paid 5 per cent more of their disposable income as indirect tax than in 1977 or 1979.

The direct and indirect taxes allocated in this article accounted for 34·9 per cent of gross household income in 1981, only slightly more than in 1977. However, the combined proportion had decreased to 32·2 per cent in 1979.

Benefits in kind accounted for a greater proportion of gross income in 1981 than in 1979 or 1977. Public expenditure on education and health rose in line with increases in pay for education and health service employees throughout the period. In addition there were substantial increases in housing subsidies until 1981, when they were reduced. Between 1977 and 1979 'allocated' expenditure on benefits in kind decreased from 13·8 to 13·1 per cent of gross income. Between 1979 and 1981 benefits in kind grew much faster than gross income, despite the reduction in housing subsidy in 1981, and in 1981 it formed a higher proportion of gross income than in 1979 for most household types. Benefits in kind were relatively more important to lower income households in 1981 than in 1979.

In summary the period 1977–81 divides into two fairly distinct parts. From 1977 to 1979, real original income grew and so did cash benefits at about the same rate. Direct taxes fell as a percentage of gross income, partly offset by increased payments of indirect taxes. Benefits in kind fell slightly as a proportion of gross income. From 1979 to 1981, household original income fell in real terms and, although cash benefits grew strongly, gross income also fell. Direct and indirect taxes both increased as a percentage of gross income, partly offset by an increase in benefits in kind.

Results for all households

The mix of household types responding to the FES varies from year to year which can complicate the interpretation of short term trends for the all-households distribution. In 1981 in particular, the FES contained an above average proportion of large households, tending to over represent the top of the income distribution. These effects can be studied by imposing a standard mix of households in each year. Such a standardisation was carried out and the following paragraphs are based on these 'standardised' data. The technique is explained in Appendix 3.

While *original income* fell in real terms between 1979 and 1981, its distribution between households became somewhat more unequal (Table R). The share going to the top tenth of FES households, which was 27 per cent from 1977 to 1979, increased to 27½ per cent in 1980 and 28 per cent in 1981. There was a corresponding fall in the share of original income going to households in the middle and lower income groups. However, other households in the higher income groups maintained their share of original income throughout the period. Between 1977 and 1979, when real national original income was rising, the distribution was much the same.

Percentage shares of total household standardised original income by quintile group of households ranked by original income, 1977 to 1981

TABLE R

	1977	1978	1979	1980	1981
Quintile group					
Bottom fifth	0·6	0·6	0·6	0·6	0·6
Next fifth	9·1	9·1	9·0	8·6	8·4
Middle fifth	18·9	18·8	18·8	18·6	18·1
Next fifth	26·9	26·8	27·0	26·9	26·8
Top fifth	44·5	44·7	44·6	45·4	46·1
Total	100	100	100	100	100
Decile group					
Bottom tenth . .	—	—	—	—	—
Top tenth	26·7	26·9	26·8	27·6	28·1
Gini coefficient (per cent)	44·7	44·8	44·8	45·7	46·4

Percentage shares of total household standardised final income by quintile group of households ranked by final income, 1977 to 1981

TABLE S

	1977	1978	1979	1980	1981
Quintile group					
Bottom fifth	7·3	7·3	7·1	6·9	7·1
Next fifth	12·5	12·7	12·4	12·3	12·5
Middle fifth	18·2	18·1	18·1	18·0	17·9
Next fifth	24·1	24·1	24·4	24·1	24·0
Top fifth	37·9	37·8	38·0	38·7	38·5
Total	100·0	100·0	100·0	100·0	100·0
Decile group					
Bottom tenth . .	2·9	2·9	2·8	2·7	2·8
Top tenth	22·5	22·3	22·5	23·2	23·2
Gini coefficent (per cent)	31·0	30·9	31·5	32·2	31·8

Final income (Table S) shows a small increase in inequality between 1977 and 1979 and a slightly larger increase between 1979 and 1980, but a small decrease in 1981. The effect of changes in taxes and benefits was to make the distribution of final income slightly more unequal in 1979 than in 1977 and in 1978. However in 1981, the combined effect of taxes and benefits, produced a more equal distribution of final income than in 1980, despite the increase in inequality of original income. The remainder of this section looks at the ten household types separately.

Recent trends by household type

All non-retired household types showed an increase in the spread of their *original incomes* between 1979 and 1981 (Table T). In contrast, both retired household types showed a reduced spread in their original incomes.

Between 1977 and 1980 inequality in final incomes increased within nearly all household types, as it did for the overall distribution. However in 1981, not all household types experienced a decrease in inequality in final incomes, indeed five out of ten household types experienced a further increase. The reduction in inequality in the all-households analysis must therefore owe rather more to a shift in the relative levels of income between the household types than to changes in inequality within household types; retired households, in particular, improved their final income relative to other households in 1981.

Unemployment has been an important factor in the increase in inequality of original income within household types. One of the conclusions of last year's article[1] was that cash benefits and direct taxes substantially reduce, but do not eliminate, the increase in inequality in the distribution of original income due to unemployment and the consequent loss of earnings. This is illustrated in Table T.

MOVEMENTS OF HOUSEHOLDS BETWEEN ORIGINAL AND FINAL INCOME GROUPS

Earlier sections of the article have shown that households on low incomes gain from redistribution. This section looks at which types of household gain most. Similarly, households with high original incomes are worse off after redistribution, but some lose more than others. Table V shows each household classified according to both its original and final income. For example, the top row shows the final income ranking of the 20 per cent of households with the lowest original incomes. We can see that 13 per cent of these remained in the lowest income group after redistribution, whereas the rest moved up into higher final income groups. The leading diagonal shows the percentages of households in the same quintile group before and after redistribution; just over half the households are on this diagonal, though, in line with the overall pattern of redistribution, most households remaining in lower income groups will be a little better off, and most remaining in higher groups a little worse off.

As shown in Table W, an important conclusion of this exercise is that, the households gaining most from redistribution tend to be the larger households within each original income group. Looking at households in the middle original income group for example, we can see that households remaining in it after redistribution have an average of 3·0 persons per households, whereas those moving up one final income group have 4·0 and those moving down one group have 2·1. Therefore larger households, including most households with children, tend to improve their quintile group position as a result of redistribution. Conversely, one and two adult households

Gini coefficients for the distributions of original and final income of each household type, 1977 to 1981

TABLE T

	Original income					Final income				
	1977	1978	1979	1980	1981	1977	1978	1979	1980	1981
Gini coefficients (per cent)										
Household type										
1 adult retired	79	77	78	78	75	18	17	18	18	17
1 adult non-retired	38	39	39	40	41	27	28	28	29	31
2 adults retired	70	66	69	68	66	19	18	18	20	19
2 adults non-retired	30	30	29	31	32	24	23	22	25	27
2 adults, 1 child	25	27	26	29	29	21	20	21	22	22
2 adults, 2 children	25	24	26	25	28	19	18	20	20	20
2 adults, 3 or more children . .	32	31	31	34	38	19	17	17	19	21
3 or more adults	29	27	28	29	30	21	21	22	23	23
3 or more adults with children . .	25	28	25	28	30	18	19	17	19	20
1 adult with children	62	59	57	59	63	25	22	26	26	28

---

[1] *Economic Trends*, No. 339, January 1982.

Households classified by their ranking according to original and final income, 1981

TABLE V

	Quintile groups of households ranked by final income					
	Bottom fifth	Next fifth	Middle fifth	Next fifth	Top fifth	Total
Percentage of all households						
Quintile groups of households ranked by original income						
Bottom fifth	13	5	1	—	—	20
Next fifth	6	8	4	1	—	20
Middle fifth	1	6	8	4	1	20
Next fifth	—	1	6	9	4	20
Top fifth	—	—	1	5	15	20
Total	20	20	20	20	20	100

NB Figures do not sum to totals due to rounding.

tend to move down the rankings. The final column of Table W also shows that the average number of persons per household increases with original income. This is because larger households tend to have more earners.

The reason why some households benefit more than others with similar original income are not the same in each group, although the main reason is often benefits in kind. In the group with the lowest original income, for example, the few households with very high final income (i.e. moving up three or four groups) are those with children, receiving, amongst other things, substantial benefit in kind from education expenditure. Cash benefits can also determine which households gain most. Two retired adult households for example receive a larger state retirement pension than single adults and their final income is therefore higher. In some cases a combination of cash benefits and benefits in kind provides the explanation.

The following paragraphs look in some more detail at two of the original income groups, the bottom and the top

Number of persons per household 1981: households classified by their ranking according to original and final income

TABLE W

	Quintile groups of households ranked by final income					
	Bottom fifth	Next fifth	Middle fifth	Next fifth	Top fifth	Total
Quintile groups of households ranked by original income						
Bottom fifth	1·3	2·0	3·4	5·1	5·8	1·7
Next fifth	1·5	2·2	3·1	4·6	6·0	2·4
Middle fifth	1·7	2·1	3·0	4·0	5·2	3·0
Next fifth	1·7	2·0	2·4	3·2	4·3	3·2
Top fifth	3·0	2·0	2·5	2·6	3·7	3·4
Total	1·4	2·1	2·8	3·4	3·9	2·7

The lowest original income group

Cash benefits are the main source of income for these households and are highest for those improving their position most. The amounts of benefit in kind also vary steeply. Education benefits, in particular, are substantial for households with children and most of them move into higher final income groups. Taxes have little effect.

The lowest original income group 1981

TABLE X

	Quintile group ranked by final income				
	Bottom fifth	Next fifth	Middle fifth	Next and top fifths	Total
Percentages					
Household type					
1 adult retired	44	5	—	—	49
2 adults retired	10	15	2	—	27
Other households without children	7	2	1	—	10
1 adult with children	2	2	1	1	6
Other households with children	1	2	2	2	8
Total	65	26	6	3	100
£ per year					
Original income	200	210	150	270	200
Cash benefits	1,930	2,880	3,830	4,570	2,370
Direct taxes	20	10	10	10	10
Indirect taxes	590	680	940	1,250	650
Benefits in kind	710	1,330	2,460	5,060	1,100

Half the households in the bottom original income group consist of one retired adult and almost all of these remain in the bottom group of final income. A further quarter of the households consist of two adults retired, who receive larger retirement pensions and more health benefit and are more likely to improve their relative position. Households with children are more likely to move up one group than to stay in the bottom group and larger households benefit most; they receive substantial amounts of education benefit and are very likely to move up several income groups.

The top original income group

All the households in the top fifth of households ranked by original income have very high original incomes and expenditure, so that cash benefits are relatively unimportant, but direct and indirect taxes are both substantial (Table Y).

The top original income group 1981

TABLE Y

	Quintile group ranked by final income				
	Bottom & next fifths	Middle fifth	Next fifth	Top fifth	Total
Percentages					
Household type					
1 adult with or without children	—	—	1	1	2
2 adults	—	2	11	15	28
2 adults with children	—	—	3	19	22
3 or more adults	—	1	6	22	29
3 or more adults with children	—	—	2	16	18
Total	1	3	23	73	100
£ per year					
Original income	—	13,300	12,990	17,800	16,540
Cash benefits	—	130	190	570	470
Direct taxes	—	3,630	3,230	4,160	3,940
Indirect taxes	—	4,200	2,700	2,840	2,900
Benefits in kind	—	540	680	1,640	1,380

The range of incomes is much wider than in other groups, and the amounts of direct tax paid show more variation. Some households with very high original incomes pay substantial amounts of tax and still remain in the top final income group. Indirect taxes are also substantial. Benefits in kind do not add substantially to income, although education expenditure has a significant effect on households with children and students.

Overall, three quarters of the households remain in the top final income group. Households with children comprise half the group and are almost certain to remain in the top final income group, helped by benefits in kind from education and to a lesser extent by child related cash benefits. The larger adult only households are also very likely to remain in the top final income group, because many of them contain an above average number of workers and have higher original income. Many also contain a student, who receives substantial education benefit. Nearly half the one and two adult households on the other hand, will be in lower final income groups.

APPENDIX 1

Methodology and Definitions

The allocation of government expenditure and its financing

1. There are considerable difficulties in moving from the aggregates of government expenditure and financing published in the *National Income and Expenditure* Blue Book to apportioning taxes and benefits to individual households. We can obtain information about the types of household that receive cash benefits and pay direct taxes through surveys such as the Family Expenditure Survey (FES). From the replies respondents give to questions on their expenditure we can impute their payments of indirect taxes, and from information they supply about such factors as their ages and the number of children in the household we can estimate the average costs of providing them with social services, such as health and education. But there are other kinds of financing, such as corporation tax and government receipts from public corporations, which are not covered in the FES and which are difficult to apportion to individual households. Indeed, most people would probably not think of these as leading to a reduction in their personal incomes. Similarly, there are other items of government expenditure, such as capital expenditure and expenditure on defence and on the maintenance of law and order, for which there is no clear conceptual basis for allocation, or for which we do not in any event have sufficient information to make an allocation.

Family Expenditure Survey

2. The estimates in this article are based mainly on data derived from the FES. The FES is a continuous survey of the expenditure of private households. People living in hotels, lodging houses, and in institutions such as old peoples' homes are excluded. Each adult keeps a full record of payments made during 14 consecutive days and answers questions about hire purchase and other payments. He also gives detailed information, where appropriate, about income (including cash benefits received from the state) and payments of income tax. Information on age, occupation, education received, family composition and housing tenure is also obtained.

3. One of the main purposes of the FES is to yield information on household expenditure patterns to produce the weights used in compiling the index of retail prices. The survey is conducted by the Office of Population Censuses and Surveys on behalf of the Department of Employment who analyse and report on it. The *Family Expenditure Survey Report* for 1981, containing detailed data on household characteristics, income, and expenditure, will be published shortly. Details of the survey method are set out in *Family Expenditure Survey Handbook* by W F F Kemsley, R U Redpath and M Holmes. Both are published by Her Majesty's Stationery Office.

4. The number of households co-operating in the FES in 1981 was 7,525. The response rate was 72 per cent. This compares with 6,944 and 67 per cent in 1980. The increase in response was brought about mainly by raising the payment to individuals taking part in the survey from £2 to £5. The increased payment will also partly explain the increase in the proportion of large households responding to the FES. (See Appendix 4, Table 8.)

5. The available evidence suggests that older households, households where the head is self-employed, those without children and higher income households, are less likely to co-operate than others. In addition response in Greater London is noticeably lower than in other areas (see 'Family Expenditure Survey: a study of differential response based on a comparison of the 1971 sample with the census' by W F F Kemsley, *Statistical News* No. 31, November 1975 (HMSO)). It is not practicable at present to correct for any consequential non-response bias: the results in the article are based on the responses of those households which actually co-operated in the survey. This means that some of the figures differ from those produced by other surveys (see also 'Differential response in the Family Expenditure Survey: the effect on estimates of redistribution of income' by R Harris in *Statistical News* No. 39, November 1977 (HMSO)).

Unit of analysis

6. The basic unit of analysis in the article is the household, and not the family or the individual. A household is defined in the FES as comprising people who live at the same address and who share common catering for at least one meal a day. Spending on many items, particularly on housing, fuel and light and food, is largely joint spending by the members of the household. Without further information or assumptions it is impossible to apportion indirect taxes between individuals or other sub-divisions of households. It would also be far from simple to apportion income, direct taxes and benefits.

7. In classifying the households, adults have been taken as all people aged 16 and over. Most of the 'extra' adults in households with at least three adults are sons or daughters of the head of household rather than retired people.

8. A *retired* household is defined as one in which the combined income of members who are at least 60, and who describe themselves as retired or unoccupied, amounts to at least half the total gross income of the household; or in which the head is over state pension age, and more than three quarters of the household's income consists of national insurance retirement and similar state pensions, or related supplementary benefit.

9. By no means all retired people are in retired households; about one in three households comprising three or more adults contain retired people, for example, and households comprising one retired and one non-retired adult are often classified as non-retired.

10. The sample households have been classified according to their compositions at the time of the interview; it is particularly important to bear this in mind for households comprising one adult with children – it is likely that many of these households changed their composition at some time during the year.

Income: redistributive stages

11. *Stage one*

Original income *plus* cash benefits = Gross income.

Stage two

Gross income *minus* direct taxes = Disposable income.

Stage three

Disposable income *minus* indirect taxes *plus* other benefits = Income after all taxes and benefits (final income).

12. The starting point of the analysis is *original income*. This is the annual income in cash and kind of all members of the household before the deduction of taxes or the addition of any state benefits. It includes income from employment, self-employment, investment and occupational pensions. Employment income is based on the last payment received before the interview or, where different, the amount usually received. Allowance is made for any periods of absence from work through sickness and unemployment in the preceding twelve months, and for bonuses. Income from self-employment is recorded in the FES for a past period. This is brought up to current levels using an index of income from self-employment derived from the National Accounts. Income from interest, dividends and rent is taken as the amount received in the 12 months before the interview. Income from occupational pensions is based on the last payment received.

13. Households living in rent-free dwellings are each assigned an imputed income based upon the rateable value of the dwelling. This is counted as employment income if the tenancy depends on the job.

14. The next stage of the analysis is to add on *cash benefits* to original income to obtain *gross income*. This is slightly different to the 'gross normal weekly income' used in the FES Report, mainly because it excludes the imputed rent of owner-occupiers. Cash benefits are:

Age-related

Retirement and old persons' pension, Widows' benefit, Christmas bonus for pensioners.

Child-related

Child benefit, Maternity allowance, Maternity grant.

Income-related

Unemployment benefit, Family Income Supplement, Supplementary benefit, Electricity discounts, Rent rebates and rent allowances, Student maintenance awards.

Other cash benefits

War pension, Invalidity pension, Non-contributory invalidity pension, Housewives non-contributory invalidity pension, Invalid care allowance, Attendance allowance, Sickness benefit, Industrial injury disablement benefit, Death grant, other benefits.

15. This division involves some arbitrary allocations (for example, most income-related benefits depend on the number of children in the household), and it differs from classifications used elsewhere. It is adopted in the article purely for the purpose of shedding further light on the redistributive effects of cash benefits.

16. Income from short-term benefits is taken as the product of the last weekly payment and the number of weeks the benefit was received in the 12 months prior to interview. Income from long-term benefits, and from rent rebates and allowances, is based on current rates. The National Accounts (and Table 1 of Appendix 4) include payments made by local authorities to the Department of Health and Social Security in respect of recipients of Supplementary Benefit as 'rent rebates and allowances'. Supplementary Benefit includes all supplementary allowances where they are separately distinguished by respondents.

17. *Direct taxes* are then deducted to give *disposable income*. Direct taxes are:

Income tax
Employees' and self-employed contributions to national insurance and national health services.

18. The estimates are based on the amount deducted from the last payments of employment income and pensions, and on the amount paid in the last 12 months in respect of income from self-employment, interest, dividends and rent. The income tax payments recorded will therefore take account of a household's tax allowances including tax relief on mortgage interest, but not on life assurance premiums, where administrative arrangements are different.

19. As original income includes some elements not actually received in cash, disposable income as defined here does not correspond exactly to money available for the household to spend. It does however give an indication of the resources which are available to the household, and which influence spending decisions.

20. The order in which the remaining allocated items are presented is to some extent arbitrary.

21. *Indirect taxes on final consumer goods and services* are:

Local authority rates on dwellings (after rebates)
Duties on beer, wines, spirits, tobacco, oil, betting, etc.
Value added tax (VAT)
Protective (import) duties
Car tax
Motor vehicle duties
Driving licences
Television licences
Stamp duties

22. These taxes are either levied directly on the consumer (for example domestic rates) or are assumed to be fully incident on the consumer. For example, the amount of VAT which is paid by the household is calculated from the household's total expenditure on goods and services subject to VAT.

23. The figures for *domestic rates* include, as well as local authority rates, charges made by water authorities for water, environmental and sewerage services, although these charges to households in England and Wales are no longer counted as general government receipts in the National Accounts. (In Scotland these payments go to the local authorities and are so counted.) As explained in the article, local authority rates are paid in full by most recipients of supplementary benefit, as the supplementary benefit payments they receive include an allowance for this item. Where ranges are shown (in Tables F and P) for the burden of rates (and total indirect taxes), the lower end has been calculated by excluding the rates payments of most SB households, and by subtracting corresponding sums from their gross incomes. For each household where the SB received is less than the total rent and rates bill, however, its gross income and rates payment have been reduced by only a proportion of the SB – the proportion that rates represents of rent and rates combined.

24. VAT and car tax affect the prices of secondhand cars and are therefore assumed to be incident on the purchasers and vendors of such cars. In allocating taxes, expenditures recorded in the FES on alcoholic drink, tobacco, ice cream, soft drinks and confectionery are weighted to allow for the known under-recording of these items in the sample. The true expenditure in each case is assumed to be proportional to the recorded expenditure.

25. The incidence of stamp duty on house purchase on an owner-occupying household has been taken as the product of the hypothetical duty payable on buying the current dwelling (estimated from rateable values) and the probability of a household of that type moving in a given year (estimated from the General Household Survey).

26. *Indirect taxes on intermediate goods and services* are:

- Local authority rates on commercial and industrial property
- Motor vehicle duties
- Duties on hydrocarbon oils
- Protective (import) duties
- Stamp duties
- Employers' contributions to national insurance, the National Health Service, the industrial injuries fund and the redundancy payments scheme
- National insurance surcharge.

27. These are taxes that fall on goods and services purchased by industry. Only the elements attributable to the production of subsequent goods and services for final consumption by the UK personal sector are allocated in the article, being assumed to be fully shifted to the consumer. Their allocations between different categories of consumers' expenditure are based on the relation between intermediate production and final consumption using input-output techniques. See Appendix 2 for a note on recent revisions.

28. Finally, we add the effects of *benefits in kind* for which there is a reasonable basis for allocation to households, to obtain *final income*. Benefits in kind are:

- State education
- School meals, milk and other welfare foods
- National Health Service
- Housing subsidy
- Rail travel subsidy
- Option mortgage expenditure
- Life assurance premium relief

29. *Education benefit* is estimated by the Department of Education and Science as the cost per pupil or student in special schools, primary, secondary and direct grant schools, universities, and other further education establishments. The value of the benefit attributed to a household depends on the number of people in the household recorded in the FES as receiving each kind of education (students away from home are not counted).

30. The value of *school meals and other welfare foods* is based on their cost to the public authorities. Any payment by the individual households is subtracted to arrive at a net contribution.

31. Each individual in the FES is allocated a benefit from the *National Health Service* according to the estimated average use made of health services by people of the same age and sex, and according to the total cost of providing those services. The benefit from the maternity services is assigned separately to those households receiving maternity grant.

32. In this article public sector tenants are defined to include the tenants of local authorities, New Town Corporations, the Scottish Special Housing Association (SSHA) and the Northern Ireland Housing Executive (NIHE). The total *housing* subsidy includes the excesses of current account expenditures on housing by local authorities over the unrebated rents due and interest on council house sales; and grants paid to the New Town Corporations, the SSHA, the NIHE and the Housing Corporation. Within Greater London, the rest of England, Wales, Scotland and Northern Ireland each public sector tenant has been allocated a share of the region's total relevant subsidy based on the gross rateable value of his dwelling. The grant to the Housing Corporation has been similarly allocated to housing association tenants in the UK. Housing subsidy does not include mortgage interest tax relief, rent rebates and allowances or rate rebates (see paragraphs 18, 14 and 23 respectively).

33. The *rail travel subsidies* allocated are those to British Rail and to London Transport railways (the Underground). They are estimated by calculating the ratio of the cost of the subsidy to consumers' expenditure on rail fares. In allocating the British Rail subsidy the total subsidy paid is apportioned between freight and passenger services by the receipts of British Rail for their freight and passenger business, and then a further apportionment between the personal and the business and other sectors is made. This gives the amount of subsidy attributable to rail travel by the personal sector. In allocating the subsidy to London Transport railways the total subsidy to London Transport is apportioned between tube and bus services by the receipts of these sectors, with an allowance for the use of the Underground for business purposes.

34. *Option mortgages* are those where the building societies (or other bodies) charge a low rate of interest, being compensated for this by payments from central government. The interest payments do not then qualify for tax relief, the scheme being primarily for the benefit of non-taxpayers. The benefit to each household holding an option mortgage is assumed to be in proportion to its last interest payment.

35. Central government makes payments to *life assurance* funds enabling them to reduce their premiums to most policy-holders. The benefit to each household of this expenditure is assumed to be in proportion to its premium payments.

36. It must be emphasised that the analysis in this article provides only a very rough guide to the kinds of household which benefit from government expenditure, and by how much, and to those which finance it. Apart from the fact that large parts of expenditure and receipts are not allocated, the criteria used both to allocate taxes and to value and apportion benefits to individual households could be regarded as too simplistic. For example, the lack of data forces us to assume that the incidence of direct taxes falls on the individual from whose income the tax is deducted. This implies that the benefit of tax relief for mortgage interest, for example, accrues directly to the tax payer rather than to some other party, for example, the vendor of the land. It also implies that the working population is not able to pass the cost of the direct tax back to employers through lower profits, or to consumers through higher prices. And, in allocating indirect taxes we assume that the part of the tax falling on consumers' expenditure is borne by the households which buy the item or the service taxed, whereas in reality the incidence of the tax is spread by pricing policies and probably falls in varying proportions on the producers of a good or service, on their employees, on the buyer, and on the producers and consumers of other goods and services. Another example is that we know only an estimate of the total financial cost of providing benefits such as education, and so we have to treat that cost as if it measured the benefit which accrues to recipients of the service. In fact, the value the recipients themselves place on the service may be very different to the cost of providing

it; moreover, there may be households in the community, other than the immediate beneficiaries, who receive a benefit indirectly from the general provision of the service.

Gini coefficient

37. The Gini coefficient is the most widely used summary measure of the degree of inequality in an income distribution. It can most easily be understood by considering a Lorenz curve of the income distribution, i.e. a graph of the cumulative income share against the cumulative household share. The curve representing complete equality of income is thus a diagonal line, as in Diagram A, while complete inequality (with only one recipient of income) is represented by a curve comprising the horizontal axis and the right-hand vertical axis.

38. A more typical Lorenz curve is illustrated in Diagram B. The area between the Lorenz curve and the diagonal line of complete equality, as a proportion of the triangular area between the curves of complete equality and inequality, gives the value of the Gini coefficient. This is the shaded area in Diagram B. Thus a distribution of perfectly equal incomes has a Gini coefficient of zero; as inequality increases (and the Lorenz curve bellies out), so does the Gini coefficient until, with complete inequality, it reaches its maximum value of 1 (or 100 per cent).

Previous articles

39. This article is the latest in an annual series. Earlier articles covering the years 1957 to 1980 were published in the following issues of *Economic Trends:* November 1962, February 1964, August 1966, February 1968, 1969, 1970, 1971, 1972, November 1972 and 1973, December 1974, February 1976, December 1976, February 1978, January 1979, 1980, 1981 and 1982. The January 1981 article contains a comprehensive account of the changes in treatment over the years. As far as is practicable with the resources available, the Central Statistical Office will provide on request analyses for 198– on a basis comparable with those for earlier years. Enquiries should be addressed to D. Westcott, Branch 8, Central Statistical Office, Great George Street, London SW1P 3AQ, Telephone 01–233 8300.

DIAGRAM A

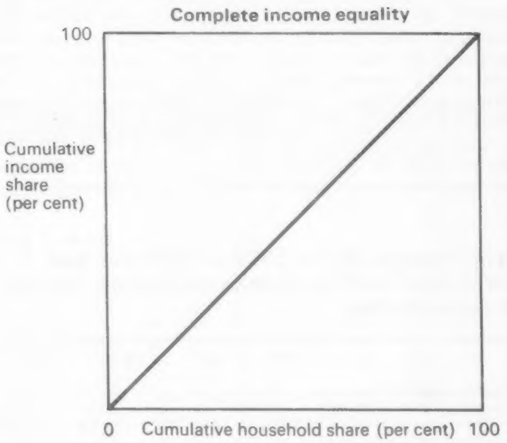
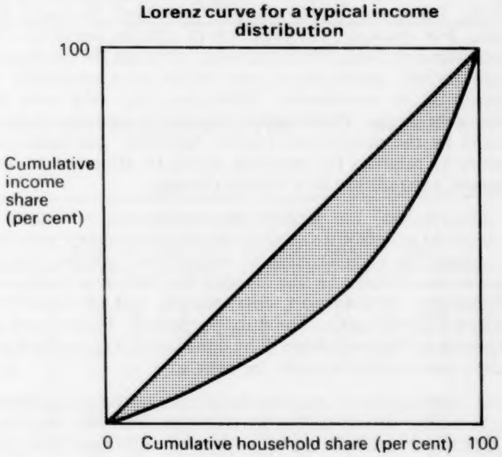

Complete income equality
100
Cumulative income share (per cent)
0
Cumulative household share (per cent)
100

DIAGRAM B


Lorenz curve for a typical income distribution
100
Cumulative income share (per cent)
0
Cumulative household share (per cent)
100

APPENDIX 2

The treatment of intermediate taxes

Each year the National Accounts show[1] how total *taxes on expenditure* (also known as indirect taxes) are borne by four types of expenditure – consumers' expenditure, general government final consumption, gross domestic capital formation and exports. These allocations include both taxes borne *directly* and *indirectly*. For instance, in the case of taxes allocated to consumers' expenditure, duty on petrol may be paid directly when petrol is bought at a filling station or indirectly in the form of higher prices passed on to cover petrol duty paid by commerce and industry for a wide range of other goods and services bought by the personal sector. The allocations to the four types of expenditure are estimated by the CSO using input-output techniques.

The National Accounts also show[2] an allocation of the expenditure taxes borne directly by consumers' expenditure analysed by categories of consumers' expenditure. This is used in the article as the framework for the allocation of individual taxes such as VAT, tobacco duty, etc to households according to their spending patterns as recorded in the FES. These are called *taxes on final goods and services* in the article. However, the article requires estimates of the *full* incidences of expenditure taxes on households.

The method of allocating that part of the residual of each expenditure tax which falls indirectly on consumers' expenditure is based on input-output techniques.

The input-output analysis of individual expenditure taxes provides an allocation to consumers' expenditure analysed by categories of commodities or products defined by industry. The reconciliation between these commodities and the categories of consumers' expenditure (which can be linked to FES expenditure items) is made by reference to Table 0 of Input-output tables for the United Kingdom 1974[3]. There are several practical problems in using this table. For example, the products of certain industries are not commonly bought by households, although the production costs include expenditure taxes which must eventually be passed on to households. Difficulties also arise with the treatment of the considerable amount of expenditure taxes borne by the distributive trades. National Insurance payments by retailers for example, could be allocated to consumers' expenditure in a variety of ways.

Nevertheless, the factors for application to items of household expenditure so derived seem reasonably plausible – judging by such criteria as labour cost content (which would be reflected in the factors for National Insurance surcharge), or transport cost content (which would be reflected in the factors for duty on petrol). These taxes on expenditure borne indirectly by consumers' expenditure are called *intermediate taxes* in the article.

In one important respect the allocation of intermediate taxes in the article differs in coverage from the National Accounts. No allocation of employers' National Insurance contributions is made by the National Accounts as these contributions are not classified as an expenditure tax; although the National Insurance surcharge is so classified and is allocated. In the article both employers' National Insurance contributions and the surcharge are treated as intermediate taxes and allocated accordingly. Essentially the same methodology has been used in the allocation of both of these items of government receipts in the article.

For the 1981 study the basis of the method of allocating intermediate taxes to households has been updated to make use of the latest input-output analyses derived from the 1974 Census of Production. Figures for 1981 are not therefore completely comparable with those for earlier years which are based on input-output analyses derived ultimately from the 1968 Census of Production, although the methods used were essentially the same. Comparability between 1981 and earlier years, has, however, been improved in other ways for the section on 'trends in redistribution 1977–81' and Appendix 4 Table 4, by bringing 1977–80 figures onto the 1981 Blue Book basis. This entailed some revisions to Blue Book figures and some relatively minor changes in coverage and methodology. Amongst these changes to 1977–80 intermediate tax data has been the allocation of the National Insurance surcharge predominantly as an intermediate tax rather than directly to consumers' expenditure as was initially done in the 1977 National Accounts and the deletion of any allocation of North Sea Oil Royalties as an intermediate tax following their reclassification under government receipts of rent, etc rather than as a tax on expenditure in the 1981 National Accounts. In addition, the allocation of employers' National Insurance contributions to households has been brought into line with the current National Accounts treatment of the National Insurance surcharge. The effect of these changes is shown in the table below.

Finally, it should be noted that, in allocating expenditure taxes in the article, it has been assumed, as in the National Accounts tables, that the incidence of these taxes are fully shifted to the final consumer, whether consumers' expenditure of the personal sector, general government, capital formation or exports. In reality, it is likely that the incidence of such a tax is spread by pricing policies and probably falls in varying proportions on the producers of the good or service taxed, on their employees, on the buyer, and on the producers and consumers of other goods and services.

Intermediate taxes 1977 – 1980: revised estimates with originally published figures in parentheses

	1977	1978	1979	1980
£ per household				
Commercial and industrial rates	58(52)	63(64)	72(74)	91(91)
Employers' NI contributions (including surcharge)	104(112)	119(141)	151(175)	182(209)
Duty on hydrocarbon oils	25(22)	27(25)	25(29)	35(41)
Other	19(19)	21(26)	22(23)	24(28)
Total	207(205)	230(257)	271(301)	331(368)

---

[1] *National Income and Expenditure*, 1982 edition. Table 9.5.

[2] *National Income and Expenditure*, 1982 edition. Table 4.8.

[3] *Input-output tables for the United Kingdom 1974*. Business Monitor, PA 1004 (HMSO, price £7.10).

APPENDIX 3

Standardisation of income distributions to take account of changes in household composition

Households of different types have very different original incomes and it is difficult to interpret recent trends when the mix of households is fluctuating from year to year. Such variations can be eliminated by imposing a standard mix of households. As the FES data show no clear trends in the importance of various household types (Table 1), the standard chosen was the average of the five years being studied. This process will also have removed any genuine changes in household composition and if in fact the number of small retired households has been increasing since 1977, inequality in original and final income has been understated here. However any changes within a five year period would not be large enough to have a substantial effect on the results. The results of the exercise could, alternatively, be viewed as a study of the tax benefit system over time excluding demographic changes in the mix of households.

The approach adopted to produce standardised estimates of the distribution of original and final income for each year is generally called shift-share analysis.[1] The method is to calculate the income distribution of each of the ten

---

[1] An earlier article using this method was published in *Economic Trends* December 1975 'The effect of changes in household composition on the distribution of income 1961–73.'

Distribution of households co-operating in the Family Expenditure Survey 1977 - 81 Each household type as a percentage of all households responding

TABLE 1

Percentage[5]	1977	1978	1979	1980	1981	Average 1977–81
1 adult retired	11·9	12·0	12·9	12·9	12·7	12·48
1 adult non-retired	7·8	8·6	9·2	8·2	8·0	8·34
2 adults retired	9·4	9·5	9·9	9·4	10·3	9·71
2 adults non-retired	22·4	22·5	21·0	21·6	20·8	21·65
2 adults, 1 child	9·0	8·6	8·9	9·0	8·1	8·73
2 adults, 2 children	12·3	12·5	12·6	12·5	12·3	12·42
2 adults, 3 or more children	5·8	4·8	5·4	5·2	5·1	5·27
3 or more adults with no children	10·2	9·9	9·4	10·4	11·3	10·26
3 or more adults with children	8·7	8·5	8·1	8·0	8·5	8·36
1 adult with children	2·4	3·0	2·7	3·0	2·9	2·78
All households	100·0	100·0	100·0	100·0	100·0	100·0
Number of households	7,198	7,001	6,777	6,944	7,525	

Distribution of households by range of original income and household type 1981, actual and *standardised* distributions

TABLE 2

Range of original income £ per year	1 adult				2 adults				2 adults with children						3 or more adults				1 adult with children		All households	
	Retired		Non-retired		Retired		Non-retired		1 child		2 children		3 or more children		With no children		With children					
0 – 68	384	*377*	41	*43*	163	*154*	19	*20*	15	*16*	19	*19*	32	*33*	11	*10*	10	*10*	59	*57*	753	*739*
69 – 372	194	*190*	16	*17*	117	*110*	11	*12*	5	*5*	6	*6*	2	*2*	9	*8*	4	*4*	12	*12*	376	*366*
374 – 837	163	*160*	26	*27*	129	*122*	15	*16*	5	*5*	5	*5*	7	*7*	6	*5*	6	*6*	14	*14*	376	*367*
838 – 1,765	103	*100*	37	*39*	126	*119*	40	*42*	10	*11*	13	*13*	13	*13*	11	*10*	10	*10*	13	*13*	376	*370*
1,766 – 2,901	62	*61*	53	*55*	86	*81*	62	*65*	21	*23*	19	*19*	12	*12*	18	*16*	18	*18*	26	*25*	377	*375*
2,902 – 4,070	25	*25*	72	*75*	49	*46*	72	*75*	22	*24*	38	*38*	19	*20*	32	*29*	24	*24*	23	*22*	376	*378*
4,071 – 4,935	8	*8*	77	*81*	29	*27*	81	*84*	32	*35*	57	*57*	25	*26*	30	*27*	18	*18*	19	*18*	376	*381*
4,935 – 5,734	5	*5*	41	*43*	14	*13*	111	*115*	49	*53*	69	*70*	30	*31*	24	*22*	20	*20*	13	*12*	376	*384*
5,736 – 6,416	3	*3*	44	*46*	8	*7*	100	*104*	55	*59*	70	*71*	39	*40*	32	*29*	20	*20*	6	*6*	377	*385*
6,417 – 7,127	1	*1*	37	*39*	13	*12*	108	*112*	62	*67*	77	*78*	25	*26*	21	*19*	24	*23*	8	*8*	376	*385*
7,131 – 7,853	—	—	32	*33*	6	*6*	103	*107*	47	*51*	83	*84*	32	*33*	36	*33*	31	*30*	6	*6*	376	*383*
7,853 – 8,617	2	*2*	29	*30*	7	*7*	99	*103*	54	*58*	89	*90*	22	*23*	39	*35*	33	*32*	2	*2*	376	*382*
8,617 – 9,535	1	*1*	26	*28*	9	*8*	112	*116*	44	*47*	69	*70*	27	*28*	40	*37*	45	*44*	4	*4*	377	*383*
9,535 – 10,543	2	*2*	16	*17*	2	*2*	109	*113*	42	*45*	82	*83*	18	*19*	52	*47*	51	*50*	2	*2*	376	*380*
10,545 – 11,547	1	*1*	19	*20*	4	*4*	114	*117*	41	*44*	63	*64*	18	*19*	54	*49*	59	*58*	3	*3*	376	*379*
11,548 – 12,811	—	—	8	*9*	8	*8*	113	*117*	36	*39*	51	*51*	14	*14*	81	*73*	64	*63*	1	*1*	376	*375*
12,813 – 14,589	1	*1*	14	*15*	4	*4*	116	*121*	28	*30*	43	*43*	15	*15*	98	*89*	58	*57*	—	—	377	*375*
14,598 – 17,743	1	*1*	8	*8*	—	—	95	*99*	24	*26*	42	*42*	17	*18*	114	*103*	74	*73*	1	*1*	376	*371*
17,756 or more	1	*1*	3	*3*	1	*1*	87	*91*	18	*19*	32	*32*	16	*17*	145	*131*	70	*69*	3	*3*	376	*367*
Total	957	*939*	599	*628*	775	*731*	1,567	*1,629*	610	*657*	927	*935*	383	*396*	853	*772*	639	*629*	215	*209*	7,525	*7,525*

household types according to any given set of income ranges and to reweight the ten together to a new total distribution according to the standard mix of households. This can be understood more easily by referring to Table 2, which shows the actual and standardised (in italics) distributions for original income in 1981. For example, the number of households consisting of three or more adults without children in the FES was 853. This has to be reduced to 10·26 per cent of the total sample or to 772 households. The number of three or more adult households in each income band is then reduced in the same proportion as the total ie 853 : 772. Summation of the adjusted data in each income band gives the standardised distribution for original income in 1981. The same procedure is carried out for final income and for other years, but calculations are not shown here for reasons of space. Statistics for these standardised distributions cannot be calculated with the same accuracy as usual, but are thought to be good estimates. Deciles have been estimated by interpolation and Gini coefficients approximated.

The main effect of the standardisation as illustrated in Table 3 is to lessen the increase in inequality of original income suggested by the unstandardised data between 1977 and 1981.

Gini coefficients for the distributions of original and final incomes 1977-81, actual and standardised data

TABLE 3

	1977	1978	1979	1980	1981
Gini coefficients (per cent)					
Original income					
Actual data	44·0	44·5	45·2	45·9	46·8
Standardised data	44·7	44·8	44·8	45·7	46·4
Final income					
Actual data	30·8	30·8	31·6	32·2	31·9
Standardised data	31·0	30·9	31·5	32·2	31·8

APPENDIX 4 CONTENTS

	Table	Page
General government expenditure in 1981	1	113
Financing of general government expenditure in 1981	2	115
Average incomes, taxes and benefits		
By decile groups of original and disposable income for all households, 1981 ..	3	116
By decile groups of original income for all households, 1977–80	4	117
By quintile groups of original income within household type, 1981	5	119
Individual taxes and benefits		
By decile groups of original income for all households, 1981	6	124
By decile groups of gross income for all households, 1981	7	125
Composition, by household type, of each decile group of all households ranked by original, gross, disposable and final income, 1981	8	126

General government expenditure in 1981

TABLE 1

	£ million	*Percentage of total expenditure*
Allocated expenditure		
Allocated cash benefits[1]		
Social security benefits		
National Insurance (contributory)		
Retirement	11,990	*10·2*
Widows and guardians	700	*0·6*
Unemployment	1,760	*1·5*
Sickness	640	*0·5*
Invalidity	1,360	*1·2*
Maternity	180	*0·2*
Disablement	320	*0·3*
Other	220	*0·2*
Non-contributory		
Child benefit	3,430	*2·9*
Supplementary benefit	4,190	*3·6*
War pension	460	*0·4*
Other	710	*0·6*
Student maintenance grants	600	*0·5*
Rent rebates and rent allowances	650	*0·6*
Allocated benefits in kind[1]		
Health services	12,610	*10·8*
Education	12,340	*10·6*
School meals, milk, welfare foods	520	*0·4*
Option mortgage scheme	250	*0·2*
Housing subsidy	2,230	*1·9*
Rail travel subsidy	450	*0·4*
	55,610	*47·6*
Unallocated expenditure		
Other current expenditure on social, environmental and protective services		
Social services		
Social security benefits administration	1,270	*1·1*
Personal social services	2,380	*2·0*
Other	30	—
Environmental services		
Housing	210	*0·2*
Water, sewerage, land drainage and public health	1,130	*1·0*
Parks, etc.	670	*0·6*
Miscellaneous local authority services	870	*0·7*
Libraries, museums, and arts	570	*0·5*
Protective services		
Police	2,510	*2·2*
Parliament, courts and prisons	1,310	*1·1*
Fire services	480	*0·4*
	11,430	*9·8*
Capital expenditure on social, environmental and protective services		
Social services	1,580	*1·3*
Environmental services		
Housing	2,430	*2·1*
Other	1,230	*1·1*
Protective services	220	*0·2*
	5,460	*4·7*
Other current expenditure		
Defence and external relations	14,510	*12·4*
Roads, transport and communications	2,580	*2·2*
Industry, trade, agriculture, research and employment	5,910	*5·1*
Other	2,020	*1·7*
	25,020	*21·4*
Other capital expenditure	4,320	*3·7*
Debt interest	13,090	*11·2*
Non-trading capital consumption	1,910	*1·6*
Total expenditure	116,840	*100·0*

[1] Including benefits to people not living in private households.

Source: *National Income and Expenditure, 1982 edition,* Table 9.4

Financing of general government expenditure in 1981

TABLE 2

	£ million	*Percentage of total financing*
Allocated financing		
Allocated taxes[1]		
Direct taxes		
Income tax	27,730	*23·7*
Employees' and self-employed NI contributions	7,020	*6·0*
Indirect taxes		
Domestic rates (net of rebates)	4,750	*4·1*
Taxes on final goods and services	21,520	*18·4*
Taxes on intermediate goods and services	8,730	*7·5*
	69,750	*59·7*
Unallocated financing		
Unallocated taxes		
Corporation tax and petroleum revenue tax[2]	8,200	*7·0*
Taxes on expenditure not allocated to consumers' expenditure	11,510	*9·8*
Employers' NI contributions not allocated to consumers' expenditure	5,950	*5·1*
Taxes on capital	1,580	*1·4*
	27,240	*23·3*
Other receipts[3]	8,640	*7·4*
Government borrowing requirement	11,210	*9·6*
Total financing	116,840	*100·0*

[1] Including taxes paid by poeple not living in private households.

[2] Including supplementary petroleum duty.

[3] Receipts of rent, royalties and licence fees on oil and gas production, interest, dividends, trading income and miscellaneous transactions (net).

Source: *National Income and Expenditure, 1982 edition,* Table 9.1

Average incomes, taxes and benefits, 1981

By decile groups of households ranked by original and disposable incomes

TABLE 3

	£ per year										
	Decile groups										Average over all decile groups
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	
(i) **Ranked by original income All households**											
Decile points (£)		*68*	*837*	*2,901*	*4,935*	*6,416*	*7,853*	*9,535*	*11,547*	*14,589*	
Number of households in the sample	753	752	753	752	753	752	753	752	753	752	7,525
Original income	10	390	1,778	4,017	5,721	7,131	8,652	10,538	12,898	20,195	7,132
Direct benefits in cash											
Age-related	1,245	1,570	1,290	612	280	223	167	115	135	103	574
Child-related	103	54	116	209	260	262	256	250	204	201	192
Income-related	940	407	422	281	145	123	77	113	93	80	268
Other	215	201	227	187	140	80	70	81	58	60	132
Gross income	2,514	2,621	3,833	5,307	6,547	7,819	9,222	11,096	13,388	20,639	8,298
Direct taxes	1	27	244	751	1,123	1,477	1,898	2,333	3,007	4,882	1,574
Disposable income	2,512	2,594	3,589	4,556	5,424	6,342	7,324	8,764	10,380	15,757	6,723
Domestic rates (net of rebates)[1]	192	169	214	231	245	261	273	289	326	386	259
Taxes on final goods and services	297	321	556	743	895	1,027	1,138	1,302	1,584	2,110	997
Intermediate taxes	158	167	246	292	344	388	424	484	583	820	391
Benefits in kind											
Education	272	177	286	494	592	622	646	671	620	668	505
National Health Service	644	696	642	579	574	522	508	519	515	541	574
Welfare foods	38	19	27	37	27	23	25	22	21	20	26
Housing subsidy	210	129	128	134	126	119	98	66	78	57	115
Other allocated benefits	11	12	18	34	46	51	63	81	90	146	55
Final income	3,042	2,971	3,675	4,566	5,304	6,003	6,829	8,048	9,210	13,873	6,351
(ii) **Ranked by disposable income All households**											
Decile points (£)		*2,266*	*3,125*	*4,047*	*5,018*	*5,979*	*6,927*	*8,041*	*9,495*	*11,787*	
Number of households in the sample	753	752	753	752	753	752	753	752	753	752	7,525
Original income	362	815	2,107	3,924	5,543	6,980	8,529	10,407	12,775	19,889	7,132
Direct benefits in cash											
Age-related	1,147	1,348	1,067	612	451	250	292	201	191	182	574
Child-related	28	51	133	220	255	277	256	242	224	229	192
Income-related	349	496	500	372	216	216	137	122	153	122	268
Other	51	123	155	203	182	170	124	127	91	93	132
Gross income	1,937	2,833	3,961	5,331	6,647	7,892	9,339	11,098	13,434	20,515	8,298
Direct taxes	100	139	386	790	1,149	1,461	1,886	2,338	2,930	4,565	1,574
Disposable income	1,837	2,694	3,575	4,541	5,497	6,431	7,452	8,760	10,504	15,950	6,723
Domestic rates (net of rebates)[1]	168	191	210	232	247	261	274	296	320	388	259
Taxes on final goods and services	237	342	544	758	871	1,053	1,123	1,348	1,560	2,137	997
Intermediate taxes	139	174	234	299	333	395	429	495	582	826	391
Benefits in kind											
Education	75	119	298	457	597	688	660	738	664	756	505
National Health Service	522	633	645	596	594	547	545	506	557	596	574
Welfare foods	7	15	34	40	29	34	25	27	22	25	26
Housing subsidy	128	158	161	137	138	116	95	75	75	63	115
Other allocated benefits	12	12	22	37	43	55	61	76	90	144	55
Final income	2,036	2,923	3,748	4,519	5,446	6,163	7,012	8,041	9,448	14,184	6,351

[1] Together with water, etc. charges.

Average incomes, taxes and benefits, 1977-1980

By decile groups of households ranked by original income

TABLE 4

	£ per year										
	Decile group										Average over all decile groups
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	
(i) **1977**											
All households											
Decile points (£)		*49*	*597*	*2,019*	*3,055*	*3,847*	*4,587*	*5,363*	*6,379*	*7,994*	
Number of households in the sample	720	720	719	720	720	720	720	719	720	720	7,198
Original income	6	255	1,285	2,575	3,447	4,220	4,982	5,838	7,111	10,654	4,037
Direct benefits in cash											
Age-related	761	905	705	281	146	107	105	81	69	92	325
Child-related	20	11	22	49	61	70	63	62	60	53	47
Income-related	433	214	156	139	65	48	45	41	41	43	123
Other	149	97	151	104	90	61	51	55	48	46	85
Gross income	1,370	1,482	2,319	3,149	3,809	4,505	5,246	6,077	7,329	10,888	4,617
Direct taxes	1	22	214	477	713	894	1,089	1,370	1,697	2,800	928
Disposable income	1,369	1,460	2,105	2,671	3,097	3,611	4,157	4,706	5,632	8,088	3,690
Domestic rates (net of rebates)[1]	93	85	111	115	127	135	143	150	163	204	132
Taxes on final goods and services	125	167	287	411	448	525	600	636	805	959	496
Intermediate taxes	73	86	128	162	187	211	236	262	311	413	207
Benefits in kind											
Education	110	74	173	283	263	346	350	351	404	435	279
National Health Service	339	334	298	276	295	278	277	265	263	289	291
Welfare foods	17	10	18	26	24	29	27	26	29	25	23
Housing subsidy	130	82	84	91	75	77	80	68	71	56	81
Other allocated benefits	9	10	13	21	26	31	31	33	35	52	26
Final income	1,684	1,633	2,166	2,679	3,018	3,500	3,942	4,401	5,155	7,369	3,555
(ii) **1978**											
All households											
Decile points (£)		*40*	*686*	*2163*	*3,431*	*4,351*	*5,241*	*6,134*	*7,292*	*9,279*	
Number of households in the sample	698	702	700	700	700	701	700	700	700	700	7,001
Original income	4	296	1,403	2,856	3,907	4,785	5,660	6,715	8,176	12,381	4,618
Direct benefits in cash											
Age-related	837	1,029	799	330	172	137	79	88	75	74	362
Child-related	42	24	48	74	113	122	122	110	100	95	85
Income-related	507	263	204	124	90	66	51	47	46	49	145
Other	174	129	169	108	82	65	82	38	58	38	94
Gross income	1,565	1,741	2,623	3,492	4,364	5,175	5,994	6,999	8,455	12,638	5,304
Direct taxes	1	12	185	524	772	963	1,145	1,432	1,827	3,064	993
Disposable income	1,564	1,729	2,438	2,968	3,592	4,212	4,848	5,567	6,627	9,573	4,312
Domestic rates (net of rebates)[1]	103	96	126	125	144	152	156	170	179	221	147
Taxes on final goods and services	143	175	310	402	489	547	633	727	839	1,079	535
Intermediate taxes	85	96	144	169	208	227	257	295	349	471	230
Benefits in kind											
Education	183	101	189	223	319	359	416	383	424	468	306
National Health Service	371	390	346	300	322	316	300	296	289	319	325
Welfare foods	28	16	22	24	27	28	29	26	23	21	24
Housing subsidy	144	105	96	90	94	89	73	76	74	60	90
Other allocated benefits	3	3	5	12	16	20	22	23	31	39	17
Final income	1,961	1,975	2,517	2,921	3,528	4,098	4,641	5,178	6,102	8,710	4,163

[1] Together with water, etc. charges.

Average incomes, taxes and benefits, 1977-1980

By decile groups of households ranked by original income

TABLE 4 (*continued*)

	£ per year										
	Decile group										Average over all decile groups
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	
(iii) **1979**											
All households											
Decile points (£)	*46*	*608*	*2,413*	*3,780*	*4,924*	*5,941*	*7,005*	*8,375*	*10,602*		
Number of households in the sample	678	677	678	678	677	678	678	678	677	678	6,777
Original income	6	270	1,394	3,160	4,378	5,431	6,456	7,672	9,365	14,039	5,217
Direct benefits in cash											
Age-related	957	1,231	978	363	186	125	109	84	103	112	425
Child-related	55	26	61	157	201	242	204	198	187	165	150
Income-related	508	248	206	137	73	63	59	33	45	51	142
Other	181	113	186	150	68	64	63	54	45	48	97
Gross income	1,707	1,889	2,825	3,968	4,907	5,925	6,891	8,040	9,745	14,414	6,031
Direct taxes	1	17	167	548	853	1,080	1,328	1,570	1,987	3,246	1,080
Disposable income	1,706	1,871	2,658	3,420	4,054	4,845	5,563	6,470	7,758	11,168	4,951
Domestic rates (net of rebates)[1]	117	103	139	153	159	173	182	197	210	249	168
Taxes on final goods and services	164	219	364	501	631	727	819	969	1,106	1,474	697
Intermediate taxes	91	106	154	203	248	274	309	359	405	558	271
Benefits in kind											
Education	143	80	219	316	412	430	464	462	469	455	345
National Health Service ..	434	476	387	364	363	380	342	332	346	377	380
Welfare foods	21	10	16	32	26	33	32	31	28	23	25
Housing subsidy	179	116	115	126	127	98	93	86	74	76	109
Other allocated benefits ..	4	6	10	23	34	35	38	55	62	95	36
Final income	2,116	2,131	2,749	3,423	3,977	4,646	5,222	5,909	7,015	9,914	4,710
(iv) **1980**											
All households											
Decile points (£)	*52*	*760*	*2,762*	*4,591*	*5,928*	*7,180*	*8,520*	*10,073*	*1,293*		
Number of households in the sample	694	695	694	695	694	694	695	694	695	694	6,944
Original income	8	329	1,640	3,774	5,255	6,557	7,821	9,263	11,311	17,579	6,353
Direct benefits in cash											
Age-related	1,134	1,373	1,160	446	260	138	94	104	112	87	491
Child-related	77	38	79	170	225	229	236	214	185	193	165
Income-related	622	329	234	182	91	72	68	50	55	66	177
Other	204	161	175	193	101	80	74	63	55	36	114
Gross income	2,046	2,229	3,289	4,765	5,932	7,077	8,293	9,694	11,718	17,961	7,300
Direct taxes	2	15	202	639	999	1,332	1,609	1,975	2,473	4,088	1,333
Disposable income	2,044	2,215	3,087	4,126	4,933	5,745	6,685	7,719	9,245	13,873	5,967
Domestic rates (net of rebates)[1]	154	141	184	195	206	212	226	236	259	325	214
Taxes on final goods and services	229	287	476	681	812	896	1,040	1,174	1,386	1,780	876
Intermediate taxes	114	135	199	257	301	334	370	424	503	675	331
Benefits in kind											
Education	232	163	222	401	471	527	575	611	594	659	446
National Health Service ..	571	581	542	475	487	453	439	436	426	479	489
Welfare foods	40	17	24	29	32	25	25	26	19	21	26
Housing subsidy	206	144	131	139	134	115	106	97	73	71	122
Other allocated benefits ..	7	9	18	38	40	55	63	68	86	132	52
Final income	2,602	2,565	3,166	4,075	4,778	5,478	6,257	7,123	8,293	12,454	5,679

---

[1] Together with water, etc. charges.

Average incomes, taxes and benefits, 1981

By quintile groups of original income within household type

TABLE 5

	£ per year					
	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(i) 1 adult retired						
Quintile points (£)	—	*68*	*366*	*971*		
Number of households in the sample	382[2]		192	192	191	957
Original income	12		194	600	2,710	705
Direct benefits in cash						
Age-related	1,384		1,418	1,446	1,409	1,408
Child-related	—		—	—	—	—
Income-related	535		304	137	26	307
Other	112		83	62	76	89
Gross income	2,042		2,000	2,245	4,221	2,509
Direct taxes	1		12	63	627	141
Disposable income	2,041		1,987	2,182	3,593	2,368
Domestic rates (net of rebates)[1]	182		155	166	248	187
Taxes on final goods and services	145		171	206	508	235
Intermediate taxes	113		117	126	236	141
Benefits in kind						
Education	—		—	—	—	—
National Health Service	575		590	539	545	565
Welfare foods	—		—	—	—	—
Housing subsidy	199		137	112	62	142
Other allocated benefits	5		4	8	7	6
Final income	2,380		2,275	2,343	3,215	2,518
(ii) 1 adult non-retired						
Quintile points (£)	*1,711*	*3,948*	*5,656*	*7,910*		
Number of households in the sample	120	120	119	120	120	599
Original income	565	2,966	4,741	6,725	11,250	5,250
Direct benefits in cash						
Age-related	572	562	202	91	56	297
Child-related	2	—	—	9	4	3
Income-related	698	115	20	7	1	169
Other	191	23	11	13	5	48
Gross income	2,028	3,665	4,973	6,845	11,315	5,767
Direct taxes	60	597	1,163	1,599	2,892	1,262
Disposable income	1,968	3,068	3,811	5,246	8,424	4,504
Domestic rates (net of rebates)[1]	178	205	216	238	325	233
Taxes on final goods and services	313	502	534	750	1,135	647
Intermediate taxes	150	208	229	296	406	258
Benefits in kind						
Education	234	18	36	—	—	58
National Health Service	223	203	156	151	153	177
Welfare foods	—	—	—	—	—	—
Housing subsidy	132	101	113	76	42	93
Other allocated benefits	19	22	41	49	76	41
Final income	1,935	2,497	3,178	4,236	6,830	3,736

---

[1] Together with water, etc. charges.

[2] More than a fifth of these households had no original income, so the bottom group is undefined.

Average incomes, taxes and benefits, 1981

By quintile groups of original income within household type

TABLE 5 (*continued*)

	£ per year					
	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(iii) **2 adults retired**						
Quintile points (£)	*56*	*464*	*1,194*	*2,865*		
Number of households in the sample	155	155	155	155	155	775
Original income	10	241	756	1,884	5,998	1,778
Direct benefits in cash						
Age-related	2,173	2,370	2,235	2,184	1,946	2,181
Child-related	—	—	—	—	3	1
Income-related	552	239	142	53	53	208
Other	303	146	254	284	205	239
Gross income	3,038	2,996	3,387	4,404	8,205	4,407
Direct taxes	1	17	58	275	1,492	369
Disposable income	3,037	2,979	3,329	4,129	6,713	4,038
Domestic rates (net of rebates)[1]	173	168	182	232	323	216
Taxes on final goods and services	382	384	436	594	854	530
Intermediate taxes	181	183	203	268	342	235
Benefits in kind						
Education	—	—	—	—	—	—
National Health Service	940	944	924	870	810	898
Welfare foods	—	—	—	—	—	—
Housing subsidy	182	128	115	90	34	110
Other allocated benefits	14	9	8	10	8	10
Final income	3,437	3,325	3,556	4,005	6,046	4,074
(iv) **2 adults non-retired**						
Quintile points (£)	*5,023*	*7,187*	*9,614*	*12,586*		
Number of households in the sample	313	314	313	314	313	1,567
Original income	2,843	6,135	8,359	11,049	17,745	9,225
Direct benefits in cash						
Age-related	865	331	179	84	66	305
Child-related	7	7	3	1	4	4
Income-related	451	128	50	39	21	138
Other	289	127	84	52	40	118
Gross income	4,456	6,728	8,675	11,224	17,875	9,791
Direct taxes	459	1,256	1,835	2,523	4,321	2,079
Disposable income	3,997	5,472	6,839	8,701	13,555	7,712
Domestic rates (net of rebates)[1]	223	245	253	282	368	274
Taxes on final goods and services	646	975	1,079	1,280	1,675	1,131
Intermediate taxes	267	334	378	436	647	412
Benefits in kind						
Education	97	39	21	19	21	39
National Health Service	528	411	369	309	330	389
Welfare foods	—	—	—	—	—	—
Housing subsidy	132	126	105	55	23	88
Other allocated benefits	23	40	58	85	118	65
Final income	3,641	4,535	5,681	7,169	11,357	6,476

---

[1] Together with water, etc. charges.

Average incomes, taxes and benefits, 1981

By quintile groups of original income within household type

TABLE 5 (*continued*)

	£ per year					
	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(v) 2 adults, 1 child						
Quintile points (£)	*5,142*	*6,777*	*8,320*	*11,186*		
Number of households in the sample	122	122	122	122	122	610
Original income	2,875	6,034	7,559	9,694	15,139	8,260
Direct benefits in cash						
Age-related	219	6	27	—	—	51
Child-related	313	309	282	302	279	297
Income-related	858	76	29	38	35	207
Other	216	59	33	51	43	80
Gross income	4,481	6,484	7,929	10,085	15,497	8,895
Direct taxes	454	1,139	1,587	2,137	3,506	1,764
Disposable income	4,028	5,345	6,343	7,949	11,991	7,130
Domestic rates (net of rebates)[1]	208	245	248	291	350	268
Taxes on final goods and services	728	816	1,034	1,124	1,592	1,059
Intermediate taxes	287	321	383	430	656	415
Benefits in kind						
Education	435	356	370	411	491	413
National Health Service	683	595	556	569	497	580
Welfare foods	36	11	18	20	21	21
Housing subsidy	177	117	120	51	36	100
Other allocated benefits	59	53	66	77	117	74
Final income	4,194	5,094	5,808	7,232	10,555	6,577
(vi) 2 adults, 2 children						
Quintile points (£)	*5,290*	*7,109*	*8,751*	*11,294*		
Number of households in the sample	185	186	185	186	185	927
Original income	3,256	6,219	7,886	9,958	14,981	8,459
Direct benefits in cash						
Age-related	32	12	—	7	—	10
Child-related	520	515	510	514	495	511
Income-related	739	68	33	12	27	176
Other	121	69	32	29	21	54
Gross income	4,666	6,881	8,461	10,521	15,524	9,210
Direct taxes	515	1,129	1,632	2,195	3,437	1,781
Disposable income	4,151	5,752	6,829	8,326	12,087	7,428
Domestic rates (net of rebates)[1]	217	253	278	310	388	289
Taxes on final goods and services	854	909	1,006	1,171	1,369	1,062
Intermediate taxes	318	389	400	476	654	447
Benefits in kind						
Education	950	1,011	1,039	1,131	1,072	1,041
National Health Service	758	648	640	578	538	632
Welfare foods	87	45	46	47	52	55
Housing subsidy	187	113	76	56	35	94
Other allocated benefits	44	72	73	73	128	78
Final income	4,787	609	7,019	8,254	11,502	7,530

---

[1] Together with water, etc. charges.

Average incomes, taxes and benefits, 1981

By quintile groups of original income within household type

TABLE 5 (*continued*)

	£ per year					
	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(vii) **2 adults, 3 or more children**						
Quintile points (£)	*3,481*	*5,990*	*7,740*	*10,685*		
Number of households in the sample	77	76	77	76	77	383
Original income	1,128	5,001	6,814	9,002	15,998	7,592
Direct benefits in cash						
Age-related	35	—	—	—	—	7
Child-related	875	855	837	808	792	833
Income-related	1,770	257	79	88	36	447
Other	464	80	57	33	6	128
Gross income	4,272	6,194	7,788	9,931	16,832	9,008
Direct taxes	210	875	1,331	2,154	3,525	1,620
Disposable income	4,063	5,318	6,457	7,777	13,307	7,389
Domestic rates (net of rebates)[1]	226	213	281	291	385	279
Taxes on final goods and services	801	820	1,070	1,072	1,785	1,111
Intermediate taxes	334	343	427	442	833	476
Benefits in kind						
Education	2,078	2,019	2,016	1,977	1,893	1,997
National Health Service	816	955	840	750	743	821
Welfare foods	295	161	70	77	91	139
Housing subsidy	257	193	177	157	61	169
Other allocated benefits	28	37	57	76	168	73
Final income	6,176	7,309	7,839	9,009	13,260	8,722
(viii) **3 or more adults with no children**						
Quintile points (£)	*6,335*	*10,180*	*13,055*	*17,110*		
Number of households in the sample	171	170	171	170	171	853
Original income	3,665	8,384	11,702	14,873	22,117	12,149
Direct benefits in cash						
Age-related	1,349	476	383	223	124	512
Child-related	36	48	39	50	43	43
Income-related	844	307	233	178	128	338
Other	587	199	180	80	67	223
Gross income	6,481	9,415	12,537	15,405	22,479	13,265
Direct taxes	689	1,724	2,622	3,524	5,489	2,810
Disposable income	5,793	7,691	9,916	11,881	16,990	10,455
Domestic rates (net of rebates)[1]	216	260	303	315	388	296
Taxes on final goods and services	1,038	1,407	1,582	2,156	2,531	1,743
Intermediate taxes	373	483	588	695	885	605
Benefits in kind						
Education	611	351	483	388	514	470
National Health Service	852	598	609	596	594	650
Welfare foods	3	4	1	2	1	2
Housing subsidy	153	116	117	124	67	115
Other allocated benefits	30	46	89	108	148	84
Final income	5,815	6,657	8,740	9,933	14,511	9,133

[1] Together with water, etc. charges.

Average incomes, taxes and benefits, 1981

By quintile groups of original income within household type

TABLE 5 (*continued*)

	£ per year					
	Quintile group					Average over all quintile groups
	1st	2nd	3rd	4th	5th	
(ix) 3 or more adults with children						
Quintile points (£)	*6,338*	*9,432*	*11,761*	*15,054*		
Number of households in the sample	128	128	127	128	128	639
Original income	3,453	8,007	10,581	13,227	20,582	11,171
Direct benefits in cash						
Age-related	319	207	84	89	150	170
Child-related	557	487	471	457	438	482
Income-related	1,378	270	385	162	116	462
Other	761	170	107	94	112	249
Gross income	6,469	9,140	11,628	14,029	21,398	12,534
Direct taxes	557	1,517	2,186	3,073	4,975	2,462
Disposable income	5,912	7,623	9,442	10,957	16,424	10,073
Domestic rates (net of rebates)[1]	241	259	286	317	371	295
Taxes on final goods and services	1,064	1,348	1,637	1,840	2,389	1,656
Intermediate taxes	412	519	610	681	883	621
Benefits in kind						
Education	1,726	1,824	1,674	1,546	1,538	1,661
National Health Service	863	682	709	711	752	743
Welfare foods	131	52	48	53	45	66
Housing subsidy	203	156	116	122	108	141
Other allocated benefits	54	53	63	83	141	80
Final income	7,172	8,264	9,524	10,633	15,365	10,193
(x) 1 adult with children						
Quintile points (£)	—	*856*	*3,360*	*5,325*		
Number of households in the sample	43	43	43	43	43	215
Original income	—	284	2,152	4,227	10,212	3,375
Direct benefits in cash						
Age-related	33	290	227	173	158	176
Child-related	548	480	574	595	440	527
Income-related	2,035	1,798	690	125	78	945
Other	—	157	23	45	17	48
Gross income	2,616	3,010	3,666	5,165	10,904	5,072
Direct taxes	—	7	143	608	1,455	443
Disposable income	2,616	3,003	3,523	4,557	9,449	4,630
Domestic rates (net of rebates)[1]	242	223	203	244	299	242
Taxes on final goods and services	290	457	434	561	775	503
Intermediate taxes	167	247	242	296	407	272
Benefits in kind						
Education	1,120	1,273	1,241	1,497	940	1,214
National Health Service	434	397	380	359	344	383
Welfare foods	229	194	163	110	61	151
Housing subsidy	290	203	238	230	126	217
Other allocated benefits	7	38	12	36	64	31
Final income	3,998	4,181	4,676	5,688	9,503	5,609

[1] Together with water, etc. charges.

Average incomes, taxes and benefits, 1981

By decile groups of households ranked by original income

TABLE 6

	£ per year										
	Decile group										Average over all decile groups
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	
Decile points (£)	*68*	*837*	*2,901*	*4,935*	*6,416*	*7,853*	*9,535*	*11,547*	*14,589*		
Original income											
Earnings of main earner	1	62	729	2,957	4,633	5,676	6,536	7,392	8,444	12,375	4,880
Other earnings	—	—	33	145	495	933	1,591	2,543	3,575	6,336	1,565
Occupational pensions, annuities	1	166	584	484	228	232	197	235	260	320	271
Investment income	8	135	328	322	245	231	268	304	521	942	330
Other income	1	26	103	110	120	59	61	64	97	222	86
Total	10	390	1,778	4,017	5,721	7,131	8,652	10,538	12,898	20,195	7,132
Cash benefits											
Child benefit	101	52	111	198	246	249	247	238	198	197	184
Retirement and old persons' pension	1,201	1,503	1,204	514	246	186	143	102	125	91	532
Widows' pension	34	55	77	93	32	35	22	12	9	11	38
Disablement and war disability pension	14	21	25	5	3	10	6	4	9	8	11
Invalidity pension and allowance	88	89	104	90	60	16	9	19	9	7	49
Mobility allowance	8	9	10	8	6	5	6	7	3	3	6
Non-contributory invalidity pension	12	12	4	7	2	—	—	3	—	2	4
Housewives non-contributory invalidity pension	2	—	1	2	2	1	2	3	1	1	2
Invalid care allowance	1	1	2	—	—	—	1	—	—	—	1
Attendance allowance	22	16	19	19	9	7	5	7	3	9	12
Unemployment benefit/TOPS etc awards	71	51	157	112	71	65	39	60	56	37	72
Sickness Industrial injury benefit	8	10	24	32	32	34	35	32	27	24	26
Industrial injury disablement pension	19	27	20	10	14	4	5	6	6	4	11
Family income supplement	2	1	12	9	4	1	—	1	—	1	3
Supplementary benefit	788	252	174	113	45	43	20	39	19	19	151
Maternity allowance	2	1	4	10	12	11	7	11	6	4	7
Death grant	1	1	1	—	—	—	—	—	—	—	—
Maternity grant	—	—	1	2	2	1	1	1	1	—	1
Rent rebates and allowances	47	89	54	34	11	6	4	1	3	—	25
Student maintenance grants	33	14	24	13	14	8	14	13	15	22	17
Christmas bonus for pensioners	9	11	10	5	2	2	1	1	1	1	4
Other cash benefits	40	15	17	13	11	3	1	—	—	3	10
Total	2,503	2,232	2,055	1,290	826	688	570	559	490	445	1,166
Gross income	2,514	2,621	3,833	5,307	6,547	7,819	9,222	11,096	13,388	20,639	8,298
Direct taxes	1	27	244	751	1,123	1,477	1,898	2,333	3,007	4,882	1,574
Disposable income	2,512	2,594	3,589	4,556	5,424	6,342	7,324	8,764	10,380	15,757	6,723
Indirect taxes	646	657	1,016	1,267	1,485	1,676	1,835	2,075	2,494	3,316	1,646
Benefits in kind	1,176	1,033	1,101	1,277	1,364	1,337	1,340	1,359	1,324	1,432	1,274
Final income	3,042	2,971	3,675	4,566	5,304	6,003	6,829	8,048	9,210	13,873	6,351

Average incomes, taxes and benefits, 1981

By decile groups of households ranked by gross income

TABLE 7

	£ per year										
	Decile group										Average over all decile groups
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	
Decile points (£)	*2,318*	*3,303*	*4,609*	*5,984*	*7,254*	*8,562*	*10,163*	*12,106*	*15,151*		
Number of households in the sample	753	752	753	752	753	752	753	752	753	752	7,528
Original income	234	628	1,864	3,936	5,618	7,060	8,558	10,449	12,864	20,118	7,132
Cash benefits											
Age-related	1,180	1,434	1,110	577	364	258	283	207	163	164	574
Child-related	25	67	144	229	256	263	251	248	220	213	192
Income-related	389	542	558	346	204	166	135	109	127	106	268
Other	56	130	235	210	172	152	100	92	85	88	132
Total	1,650	2,173	2,048	1,362	995	839	768	657	594	572	1,166
Gross income	1,883	2,801	3,912	5,298	6,613	7,899	9,326	11,106	13,459	20,690	8,298
Direct taxes											
Income tax	24	61	225	540	819	1,111	1,438	1,787	2,386	4,078	1,247
National Insurance contributions	5	13	62	180	277	358	439	531	621	789	328
Disposable income	1,855	2,727	3,624	4,577	5,517	6,430	7,450	8,788	10,452	15,823	6,723
Indirect taxes											
Domestic rates (net of rebates)[1]	168	186	212	233	248	262	274	294	325	386	259
Taxes on final goods and services											
VAT	98	155	237	328	392	474	540	617	767	1,100	471
Duty on tobacco	43	80	122	160	166	194	174	179	194	216	153
Duty on beer	7	18	27	46	57	70	77	85	106	133	63
Duty on wines	3	5	9	12	14	17	23	27	38	66	21
Duty on spirits	8	15	26	35	40	43	62	68	98	131	53
Duty on hydrocarbon oils	11	22	44	66	88	107	123	137	168	212	98
Car tax	1	2	5	9	13	14	15	24	29	41	15
Vehicle excise duty	7	13	22	31	40	44	48	55	62	77	40
Television licences	19	21	24	26	28	28	29	30	31	32	27
Stamp duty on house purchase	1	2	3	4	5	8	11	16	20	29	10
Protective duties	8	11	16	21	24	29	32	36	44	59	28
Other	7	11	16	16	19	22	24	26	29	28	20
Intermediate taxes											
Commercial and industrial rates	40	54	71	91	102	118	130	146	178	244	117
Employers' NI contributions	64	86	115	148	168	195	214	240	296	408	193
Duty on hydrocarbon oils	18	24	31	40	44	51	54	60	76	105	50
Motor vehicle duties	5	7	9	11	13	15	16	18	23	32	15
Other	5	7	9	12	13	15	17	19	23	30	15
Total indirect taxes	512	718	995	1,289	1,473	1,706	1,862	2,077	2,505	3,329	1,646
Benefits in kind											
Education	69	140	358	517	592	682	640	685	663	706	505
Welfare foods	7	20	39	42	28	28	27	24	21	22	26
National Health Service	531	678	644	594	566	555	535	518	539	577	574
Housing subsidy	138	161	157	132	136	112	95	74	79	61	115
Rail travel subsidy	4	4	5	13	8	11	16	18	32	55	16
Option mortgage scheme	3	2	7	10	14	17	18	27	15	16	13
Life assurance premium relief	4	6	10	17	19	25	29	34	42	72	26
Total	755	1,011	1,219	1,325	1,363	1,429	1,361	1,381	1,391	1,511	1,274
Final income	2,097	3,021	3,848	4,614	5,407	6,153	6,948	8,092	9,338	14,005	6,351

[1] Together with water, etc. charges.

Distribution of households co-operating in the Family Expenditure Survey, 1981

By decile groups of households ranked by original, gross, disposable and final incomes

TABLE 8

	1 adult		2 adults		2 adults with children			3 or more adults		1 adult with children	All house-holds
	Retired	Non-retired	Retired	Non-retired	1 child	2 children	3 or more children	With no children	With children		
Decile groups of original income											
Bottom	384	41	163	19	15	19	32	11	10	59	753
2nd	357	42	246	26	10	11	9	15	10	26	752
3rd	165	90	212	102	31	32	25	29	28	39	753
4th	33	149	78	153	54	95	44	62	42	42	752
5th	8	85	22	211	104	139	69	56	40	19	753
6th	1	69	19	211	109	160	57	57	55	14	752
7th	3	55	16	211	98	158	49	79	78	6	753
8th	3	35	6	223	83	145	36	106	110	5	752
9th	1	22	12	229	64	94	29	179	122	1	753
Top	2	11	1	182	42	74	33	259	144	4	752
Total	957	599	775	1,567	610	927	383	853	639	215	7,525
Decile groups of gross income											
Bottom	601	85	15	16	4	5	5	1	1	20	753
2nd	232	68	304	42	18	18	8	2	3	57	752
3rd	76	105	245	104	40	54	32	28	14	55	753
4th	26	112	90	184	74	112	57	31	31	35	752
5th	9	71	43	212	116	131	61	50	41	19	753
6th	4	55	23	197	103	151	60	80	67	12	752
7th	2	45	20	218	77	146	54	103	83	5	753
8th	2	29	18	223	76	141	38	110	109	6	752
9th	3	18	13	208	62	95	33	181	135	2	753
Top	2	11	4	163	40	74	35	267	152	4	752
Total	957	599	775	1,567	610	927	383	853	639	215	7,525
Decile groups of disposable income											
Bottom	586	95	11	21	5	6	8	1	2	18	753
2nd	270	104	258	35	14	12	5	2	4	48	752
3rd	57	117	251	117	45	61	23	18	8	56	753
4th	24	87	110	197	82	100	55	33	21	43	752
5th	9	65	61	207	110	132	65	48	41	15	753
6th	1	48	31	200	107	155	65	66	63	16	752
7th	4	35	15	218	70	156	58	114	80	3	753
8th	3	20	22	227	79	134	32	115	112	8	752
9th	2	23	12	198	55	90	34	190	145	4	753
Top	1	5	4	147	43	81	38	266	163	4	752
Total	957	599	775	1,567	610	927	383	853	639	215	7,525
Decile groups of final income											
Bottom	460	153	41	57	8	13	3	5	3	10	753
2nd	339	128	154	71	19	11	3	6	—	21	752
3rd	117	100	244	153	39	32	6	20	7	35	753
4th	24	83	164	245	91	58	9	38	8	32	752
5th	8	54	89	233	108	112	25	62	20	42	753
6th	2	22	37	217	103	149	40	106	43	33	752
7th	3	25	18	182	85	160	67	122	76	15	753
8th	3	19	11	173	67	164	85	109	109	12	752
9th	—	12	11	134	54	135	76	167	157	7	753
Top	1	3	6	102	36	93	69	218	216	8	752
Total	957	599	775	1,567	610	927	383	853	639	215	7,525

International comparisons of taxes and social security contributions in 18 OECD countries, 1970-80*

K. J. NEWMAN, Central Statistical Office

The percentage of gross national product taken by taxation, including social security contributions, differs greatly (see Table A). In 1980 Norway was at the top of the list with taxes, including social security contributions, taking 59 per cent of the gross national product. Other countries with proportions in excess of 50 per cent were Sweden and the Netherlands. Norway and Sweden also had the highest percentages in 1970 and 1975. At the other end of the scale was Japan with taxes, including social security contributions, taking 28 per cent of the gross national product in 1980. The United Kingdom was in third place in the table in 1970 but had dropped to eighth position by 1975 and remained in that position in 1980.

For most countries included in the table there has been an upward trend in the percentage of GNP taken by taxes and social security contributions during the ten-year period covered. The biggest increases were in Norway and the Netherlands with rises of 10 or more percentage points. Other large increases occurred in Belgium and Sweden. For three countries – Canada, the United Kingdom and the United States – the percentage shares in the three years shown in the table were little changed. This stability applies to the whole of the ten-year period in the case of Canada and the United States but for the United Kingdom the percentage declined steadily between 1970 and 1973, rose in the following year to reach a level of around 40 per cent but dropped to 38 per cent in 1978. Since then it has increased each year, reaching a level of 42 per cent in 1980.

The exclusion of social security contributions can have a marked effect on the percentages for some countries. Australia, because no separate social security contributions are collected, moves sharply up the rankings in 1980 from twelfth to fourth place. The United Kingdom moves from eighth to third place. On the other hand, those countries where social security contributions form a fairly substantial part of the total tax revenues move down the rankings. France drops from fifth to eleventh position and the Netherlands from third to eighth place.

Limitations of the comparisons

Various factors affect analyses of this nature, so the comparisons should be regarded as giving only a broad indication of the relative importance of taxation in different countries.

Differences between countries in their economic and financial structures and the degree of government involvement in the provision of services have an effect on total taxation, the form of taxation, and the composition of taxes.

Comparisons are affected by the methods governments choose to achieve their aims, for example through systems of tax allowances which tend to reduce government tax receipts or by a gross system under which money is collected and then handed back as cash grants.

The inclusion or exclusion of social security contributions can have a marked effect on comparisons between countries.

Finally, the figures relate to total tax yields in each country and reveal nothing about the incidence of tax on different groups.

---

* Articles making comparisons of this nature have appeared in *Economic Trends* regularly since 1969 but the earlier articles contained less country detail. Detailed figures for each country for 1970 and for 1974 onwards are given in the Appendix. Information on sources and definitions is given in the Technical Notes.

Taxes and social security contributions as a percentage of gross national product at factor cost

TABLE A

Including social security contributions

	1970		1975		1980	
	Percentage	Rank	Percentage	Rank	Percentage	Rank
Norway	48	1	54	1	59	1
Sweden ..	46	2	49	2	55	2
Netherlands ..	42	5	49	3	52	3
Austria	43	4	46	4	49	4
France	41	6	42	6	48	5
Belgium[1] ..	39	8	45	5	48	6
German Fed. Rep.	39	7	42	7	44	7
United Kingdom	43	3	41	8	42	8
Finland	36	10	40	9	39	9
Italy	30	12	31	13	38	10
Canada ..	37	9	37	10	36	11
Australia ..	28	13	33	11	35	12
United States ..	33	11	32	12	33	13
Switzerland[1] ..	25	14	30	14	31	14
Japan	21	15	24	15	28	15

Excluding social security contributions

	1970		1975		1980	
	Percentage	Rank	Percentage	Rank	Percentage	Rank
Norway	37	3	39	2	45	1
Sweden ..	38	1	40	1	39	2
United Kingdom	37	2	33	4	35	3
Australia ..	28	7	33	5	35	4
Austria	32	5	34	3	34	5
Belgium[1] ..	27	8	31	8	34	6
Finland	31	6	33	6	34	7
Netherlands ..	27	10	30	9	32	8
Canada	34	4	33	7	32	9
German Fed. Rep.	27	9	27	10	29	10
France	26	12	25	11	28	11
United States ..	26	11	24	12	25	12
Italy	19	14	17	15	24	13
Switzerland[1] ..	19	13	22	13	22	14
Japan	17	15	17	14	20	15

[1] Former SNA – for details see Technical Notes, pages 11-13.

Preliminary estimates for 1981

Provisional data for 1981 for some of the member countries of OECD are available from the latest edition of *OECD Revenue Statistics*. As Table B shows, most countries showed an increase between 1980 and 1981 in the proportion of the gross domestic product at market prices taken by taxes and social security contributions, with only four countries showing a reduction. For the United Kingdom there was an increase of about three-quarters of a percentage point. These changes, however, had little effect on the ranking among countries.

These figures are not on the same basis as those contained in the rest of this article, and those for 1981 may be revised. Although the corresponding estimates on a national accounts basis are not yet available, it is likely that these will present a similar picture.

Total tax revenues as a percentage of gross domestic product at market prices

TABLE B

	1980	1981	Change
Sweden	49·6	51·5	+1·9
Norway	47·3	48·5	+1·2
Luxembourg	45·8	48·0	+2·2
Netherlands	46·2	45·8	−0·4
Denmark	45·7	44·9	−0·8
France	42·6	42·9	+0·3
Austria	41·3	42·7	+1·4
Irish Republic	36·7	38·3	+1·6
German Federal Republic	37·4	37·2	−0·2
United Kingdom	36·1	36·8	+0·7
Finland	35·3	36·7	+1·4
Canada	32·9	34·0	+1·1
New Zealand	31·7	33·2	+1·5
Portugal	29·8	31·3	+1·5
Switzerland	30·8	30·5	−0·3
Spain	24·5	25·6	+1·1

Percentage distribution of total taxes by category of tax

For most countries, the share of total taxation derived from taxes on household income was higher in 1980 than in 1970. This was particularly noticeable in Australia, Belgium and Italy. Two countries showed a reduction – Sweden and the United Kingdom. In the United Kingdom the share increased in the first half of the period to reach a peak of 39 per cent in 1975 before declining over the last five years.

Percentage of total taxation (including social security contributions) derived from taxes on household income[1]

TABLE C

	1970	1975	1980
Australia	38	44	44
Sweden	46	46	41
Finland	37	42	39
United States	36	33	38
Switzerland[2]	36	39	37
Belgium[2]	25	33	36
Canada	33	34	36
United Kingdom	33	39	31
Netherlands	28	28	28
Austria	25	25	27
German Federal Republic	26	28	27
Italy	15	18	27
Japan	20	22	24
France	14	14	14

[1] Including payments by unincorporated businesses and, for those countries which have adopted the present SNA, motor vehicle licence duties paid by households.

[2] Former SNA.

In most countries the proportion of tax revenue derived from taxes on corporate income has remained fairly constant over the ten-year period (see Table D). The main exception is Australia where the percentage share declined by five percentage points between 1970 and 1975. In the United Kingdom the share dropped in 1975 and again in 1976 but has been rising fairly steadily since then.

Percentage of total taxation (including social security contributions) derived from taxes on corporate income

TABLE D

	1970	1975	1980
Japan	21	20	18
Canada	12	15	14
Australia	17	12	12
United States	11	11	10
United Kingdom	9	6	8
Netherlands	7	8	7
Switzerland[1]	10	10	7
Belgium[1]	7	8	6
France	7	6	6
Finland	6	5	5
German Federal Republic	5	4	5
Italy	5	5	5
Austria	5	5	4
Sweden	4	3	2

[1] Former SNA

As Table E shows, for all countries except Australia and the United Kingdom the percentage of tax revenue raised through taxes on expenditure was lower in 1980 than in 1970. Most of the decline, with a few exceptions, occurred in the period between 1970 and 1975. The largest falls were in Italy and Norway, both down 10 percentage points. Other large falls occurred in Belgium, France and Japan. For the United Kingdom, over the ten-year period the share of tax revenue obtained from taxes on expenditure fell steadily between 1970 and 1975, but has increased continuously since then, with a sharp rise of 4 percentage points between 1978 and 1979. This was largely counterbalanced by a fall of 3 percentage points in the share taken by taxes on income in these two years and reflected the shift from direct to indirect taxation in the 1979 Budget.

Percentage of total taxation (including social security contributions) derived from taxes on expenditure

TABLE E

	1970	1975	1980
United Kingdom	43	36	44
Australia	43	42	43
Finland	43	36	42
Austria	45	44	39
Canada	44	40	39
France	43	39	36
Norway	44	38	34
German Federal Republic	37	33	32
Italy	41	31	31
Japan	36	29	29
Belgium[1]	37	28	28
Sweden	31	32	28
Netherlands	28	25	26
United States	32	31	23
Switzerland[1]	29	22	23

[1] Former SNA.

Almost all countries showed increases in the share of total tax revenue provided by social security contributions in 1980 compared with 1970, with the largest rises appearing in Austria, France, Japan, Sweden and Switzerland. In the United Kingdom the share in 1980 was 3 percentage points higher than in 1970 but the 1980 figure was 2 points below the peak of 19 per cent reached in 1976. In Belgium and Italy the shares were higher in 1975 than in 1970, but by 1980 they had dropped back to below the 1970 level.

Percentage of total taxation (including social security contributions) derived from social security contributions

TABLE F

	1970	1975	1980
France	36	41	43
Netherlands	37	39	39
German Federal Republic	31	36	36
Italy	39	45	36
Austria	24	26	30
Switzerland[1]	23	28	30
Belgium[1]	30	31	29
Sweden	19	20	29
Japan	22	28	28
United States	20	24	25
Norway	23	28	24
United Kingdom	14	18	17
Finland	14	17	14
Canada	9	11	11
Australia	0	0	0

[1] Former SNA.

Receipts from taxes on capital are relatively small in most countries and the tendency has been for the contributions which these taxes made to the total to decline over the last ten years.

Taxes on household income and social security contributions as a percentage of total personal income in 1970, 1975 and 1980

There are considerable variations among countries in the proportion of household income taken by direct tax and social security contributions. The figures range from around 15 per cent in Australia and Japan to 30 per cent or more in Sweden and the Netherlands but these percentages are influenced by the factors described above under "limitations of the comparisons".

A further element affecting these comparisons is the treatment of employers' social security contributions. In the national accounts, both employees' and employers' social security contributions form part of personal income†. An alternative approach which may better reflect the impact of taxes and contributions as perceived by the taxpayer is to include only employees' contributions‡ to social security schemes in the calculations (i.e. to exclude employers' contributions from both numerator and denominator). Figures on both bases are shown in summary form in Table G.

In nearly all the countries for which information is available, the proportion of household income taken by way of direct taxes and social security contributions was higher in 1980 than in 1970. The largest increases occurred in Belgium and Sweden where the percentage rose by 6 and 7 points respectively. For the United Kingdom the share in 1980 was one percentage point below the 1970 level, but four points below the 1975 level.

Percentage of total personal income taken by taxes on income of households and social security contributions

TABLE G

	1970	1975	1980
Including employers' contributions			
Sweden	31	33	38
Netherlands	26	30	30
Belgium[1]	21	26	27
France	20	21	25
Italy	16	18	22
Switzerland[1]	17	21	22
United States	19	20	22
United Kingdom	21	24	20
Canada	18	18	19
Australia	12	15	16
Japan	11	13	15
	1970	1975	1980
Excluding employers' contributions			
Sweden	27	26	27
Netherlands	20	23	24
Belgium[1]	14	19	20
Switzerland[1]	15	19	19
United States	16	16	18
United Kingdom	18	20	17
Canada	16	16	16
Australia	12	15	16
France	11	11	14
Italy	7	8	14
Japan	8	9	11

[1] Former SNA.

The overall effect of excluding employers' social security contributions is, of course, to reduce the size of the percentages. The reductions are particularly large in France and Italy where the total percentages, excluding employers' contributions, are reduced to nearly half the corresponding figures including these contributions in each year. The percentage for Sweden in 1980 is also reduced sharply. These movements indicate the relative importance in these countries of employers' contributions in the financing of social security.

---

† Described as 'total current receipts of households' in the OECD national accounts publication.

‡ Also includes contributions by the self-employed and non-employed.

TECHNICAL NOTES

Sources

The figures in the tables for taxes on income, taxes on expenditure and social security contributions are based on returns supplied to the OECD by national statistical offices and summarised in *OECD National Accounts* 1963–1980.[1],[2] Taxes on capital – which in the national accounts presentation are included indistinguishably in capital transfers – have been derived from *Revenue Statistics of OECD Member Countries 1965–1981*. Figures for value added tax have also been obtained from this publication.[2]

Differences between OECD national accounts statistics and OECD Revenue Statistics

The definitions of taxes and social security contributions used in *Revenue Statistics* differ from those used in the national accounts returns. There are also differences in the time of recording the transactions. In *Revenue Statistics* these are recorded at the time the public authority receives the money but in the national accounts they are entered when due to be paid. After allowing for capital taxes, however, the relative positions of the different countries are little affected – see table below. Preference has been given to using national accounts data as the prime source for this article because the figures will be more consistent with other statistics which are frequently derived from the national accounts publication.

Re-arranging the percentages in the table into descending order of magnitude puts the United Kingdom third in the list in 1970 and eighth in 1980 according to both the national accounts data and on the basis of Revenue Statistics. Most other countries also remain in similar positions according to both sources.

---

[1] Volume II—Detailed Tables.

[2] The figures for the United Kingdom are consistent with the data contained in *National Income and Expenditure, 1982 Edition.*

Total taxes including social security contributions: percentage of GNP at factor cost, and ranking

TABLE A

	1970				1980			
	National Accounts[1]		Revenue Statistics		National Accounts[1]		Revenue Statistics	
	Percentage	Rank	Percentage	Rank	Percentage	Rank	Percentage	Rank
Australia	28·1	13	28·6	13	35·2	12	35·6	11
Austria	42·7	4	42·0	4	48·7	4	48·3	6
Belgium	38·7	8	39·7	7	48·1	6	49·1	4
Canada	37·3	9	38·5	8	35·6	11	39·0	10
Finland	35·6	10	36·4	10	39·3	9	40·2	9
France	40·7	6	40·8	6	48·4	5	48·6	5
German Federal Republic	39·0	7	37·0	9	44·4	7	42·0	7
Italy	30·3	12	30·8	12	37·6	10	35·1	12
Japan	21·1	15	21·6	15	27·9	15	28·3	15
Netherlands	41·9	5	41·7	5	52·1	3	51·3	3
Norway	47·9	1	45·5	2	58·5	1	54·7	2
Sweden	46·1	2	45·8	1	55·1	2	55·2	1
Switzerland	25·1	14	24·4	14	31·1	14	31·3	14
United Kingdom	43·4	3	43·4	3	42·5	8	41·7	8
United States	32·5	11	31·7	11	33·2	13	31·9	13

[1] Including taxes on capital.

Differences between the United Kingdom system, the Former SNA and the Present SNA

The national accounts returns are based as far as possible on the System of National Accounts introduced by the United Nations in 1968 (the 'Present SNA'). However three countries – Belgium, Greece and Switzerland – are still only able to provide figures on the basis of the previous system (the 'Former SNA'). The figures on one basis are not strictly comparable with those on the other but the difference in definitions have little effect on the comparisons made in this article.

The main differences between the United Kingdom system and the international systems are summarised in the following table. Only figures based on the Former SNA and the Present SNA are included in the Appendix tables.

	UK system	Former SNA	Present SNA
Definition of gross national product at factor cost			
(i) Net property income from abroad			
a. Unremitted profits	Included	Excluded	Excluded
b. Profits remitted abroad	Measured after deduction of tax	Measured before deduction of tax	Measured before deduction of tax
(ii) Rent income of public authorities (other than from dwellings)	Includes only capital consumption in place of imputed rents	Includes imputed rents before deducting interest and depreciation	Includes only capital consumption in place of imputed rents
Definition of taxes			
(i) Taxes on income			
a. Tax on profits remitted abroad	Included	Excluded[1]	Excluded[1]
b. Motor vehicle licence duties paid by households	Excluded	Excluded	Included
c. Taxes on capital gains[2]	Excluded	Excluded[3]	Included
(ii) Taxes on expenditure			
a. Motor vehicle licence duties paid by households	Included	Included	Excluded
b. Compulsory fees, fines and penalties	Included	Included	Excluded[4]

---

[1] But included in the figures used in this article.

[2] For the United Kingdom, the betterment levy (introduced in 1967) and the development land tax (introduced in 1977) – both representing a charge on the development value of land – are classified and treated in the same way as taxes on capital gains.

[3] Included in taxes on capital in this article.

[4] Only compulsory fees paid by households are excluded; similar payments by businesses are treated as taxes on expenditure.

APPENDIX

Taxes including social security contributions as a percentage of gross national product at factor cost

TABLE 1

	Percentages							
	1970	1974	1975	1976	1977	1978	1979	1980
Australia[1]	28·1	31·9	33·1	33·7	33·6	32·6	34·1	35·2
Austria	42·7	46·3	45·7	44·8	46·8	49·0	48·3	48·7
Belgium[2]	38·7	41·7	44·6	44·7	46·4	47·6	48·4	48·1
Canada	37·3	38·8	36·8	36·6	36·8	35·7	34·9	35·6
Finland	35·6	37·9	39·8	43·6	43·4	41·1	39·1	39·3
France	40·7	41·2	42·4	44·7	44·4	44·7	46·8	48·4
German Federal Republic	39·0	43·0	42·2	43·9	45·1	44·5	44·3	44·4
Greece[2]	28·3	26·1	27·5	30·0	31·0	31·9	32·0	..
Irish Republic	38·0	37·3	36·9	42·5	39·1	36·1	36·4	..
Italy	30·3	30·5	30·8	33·0	34·7	35·9	35·3	37·6
Japan	21·1	24·6	24·1	23·5	24·9	24·7	26·7	27·9
Netherlands	41·9	46·7	48·9	48·2	49·4	50·3	50·6	52·1
Norway	47·9	53·2	54·2	55·6	56·4	56·1	56·3	58·5
Spain	19·7	20·5	21·9	22·9	24·1	24·6	25·7	..
Sweden	46·1	47·6	49·1	54·4	58·0	56·8	55·3	55·1
Switzerland[2]	25·1	28·1	30·4	31·9	31·6	31·9	31·2	31·1
United Kingdom	43·4	39·7	40·7	39·9	39·9	38·5	39·8	42·5
United States	32·5	33·6	32·0	33·0	33·2	33·1	33·0	33·2

[1] Fiscal years beginning on 1 July as indicated.
[2] Former SNA.

Taxes excluding social security contributions as a percentage of gross national product at factor cost

TABLE 2

	Percentages							
	1970	1974	1975	1976	1977	1978	1979	1980
Australia[1]	28·1	31·9	33·1	33·7	33·6	32·6	34·1	35·2
Austria	32·3	35·0	33·6	32·7	34·0	34·7	34·1	34·1
Belgium[2]	27·2	28·9	30·7	30·9	32·3	33·8	34·5	34·0
Canada	33·9	35·0	32·7	32·3	32·6	31·5	30·9	31·6
Finland	30·6	31·8	32·9	36·4	36·3	34·7	33·4	33·8
France	25·9	25·3	25·1	26·7	25·7	25·9	26·8	27·5
German Federal Republic	26·7	28·6	27·2	28·2	29·4	28·9	28·7	28·6
Greece[2]	20·8	19·2	20·1	21·8	22·1	22·5	22·7	..
Irish Republic	33·1	31·1	30·1	35·0	32·1	29·6	29·6	..
Italy	18·6	17·7	16·9	19·2	21·1	22·4	21·4	23·9
Japan	16·5	19·2	17·3	16·7	17·6	17·4	18·8	20·0
Netherlands	26·6	28·2	29·6	29·5	30·6	31·1	30·8	31·7
Norway	36·7	38·1	38·9	40·9	41·3	41·2	41·7	44·6
Spain	12·6	11·8	12·0	12·2	12·4	12·5	13·0	..
Sweden	37·5	38·2	39·5	41·8	43·4	41·4	40·2	39·2
Switzerland[2]	19·4	20·5	21·9	23·0	22·4	22·5	21·7	21·6
United Kingdom	37·4	33·1	33·4	32·3	32·4	31·6	33·0	35·3
United States	26·1	25·7	24·2	25·0	25·2	25·0	24·7	24·8

[1] Fiscal years beginning on 1 July as indicated.
[2] Former SNA.

Analysis of taxes by type of tax as a percentage of gross national product at factor cost in 1970, 1975 and 1980

TABLE 3

	Percentages											
	Taxes on income						Taxes on expenditure					
	Households[1]			Corporations			Total			*of which:* VAT		
	1970	1975	1980	1970	1975	1980	1970	1975	1980	1970	1975	1980
Australia[2]	10·6	14·5	15·5	4·8	4·1	4·3	12·0	14·0	15·2	—	—	—
Austria	10·6	11·2	13·0	2·3	2·4	2·1	19·4	19·9	19·0	—	9·0	9·7
Belgium[3]	9·7	14·5	17·4	2·7	3·4	2·9	14·4	12·5	13·3	0·4	7·2	7·7
Canada	12·2	12·4	12·7	4·6	5·4	4·9	16·4	14·6	14·0	—	—	—
Finland	13·1	16·6	15·3	2·1	2·0	1·8	15·4	14·2	16·6	—	—	—
France	5·5	5·8	6·9	2·7	2·4	2·8	17·4	16·5	17·5	10·4	9·8	10·1
German Federal Republic	10·1	11·9	12·2	2·1	1·6	2·0	14·5	13·7	14·3	6·3	5·9	7·1
Greece[3]	3·4	3·0	4·7	0·6	1·2	1·3	16·5	15·7	14·8	—	—	—
Irish Republic	..	..	..	..	..	..	22·3	18·7	19·5	—	—	5·9
Italy	4·6	5·7	10·2	1·4	1·5	1·9	12·3	9·7	11·7	—	—	5·6
Japan	4·2	5·3	6·7	4·5	4·8	5·0	7·6	7·0	8·1	—	—	—
Netherlands	11·7	13·6	14·4	2·8	3·7	3·4	11·9	12·1	13·6	6·1	6·9	8·1
Norway	..	..	..	..	..	..	21·2	20·4	19·6	10·8	10·6	10·0
Spain	1·3	2·0	4·0[4]	2·6	2·6	2·3[4]	8·6	7·1	6·5	—	—	—
Sweden	21·3	22·6	22·6	1·7	1·2	1·3	14·3	15·5	15·2	4·7	5·9	7·4
Switzerland[3]	9·0	11·8	11·6	2·5	3·0	2·3	7·2	6·6	7·1	—	—	—
United Kingdom	14·1	16·0	13·1	3·9	2·6	3·5	18·5	14·5	18·5	—	3·7	6·2
United States	11·5	10·6	12·6	3·6	3·4	3·2	10·4	9·9	8·7	—	—	—

				Social security contributions					
	Taxes on capital			Total			*of which:* Paid by employers		
	1970	1975	1980	1970	1975	1980	1970	1975	1980
Australia[2]	0·8	0·5	0·2	—	—	—	—	—	—
Austria	0·1	0·1	0·1	10·3	12·1	14·6	..	..	..
Belgium[3]	0·4	0·3	0·4	11·5	13·9	14·1	7·7	9·4	9·5
Canada	0·7	0·3	0·1	3·4	4·0	3·9	2·0	2·5	2·4
Finland	0·1	0·1	0·1	5·0	6·8	5·5	..	..	..
France	0·3	0·3	0·3	14·8	17·4	20·9	10·7	12·5	14·0
German Federal Republic	0·1	0·1	0·1	12·3	15·0	15·8	6·3	7·9	8·3
Greece[3]	0·4	0·3	0·5[4]	7·5	7·4	9·6	..	..	..
Irish Republic	0·5	0·4	0·1	4·9	6·9	6·9[4]	..	..	..
Italy	0·2	0·1	0·1	11·8	13·9	13·7	9·5	11·6	10·2
Japan	0·2	0·2	0·2	4·6	6·8	7·9	2·4	3·5	4·0
Netherlands	0·2	0·2	0·3	15·3	19·3	20·4	8·2	10·1	10·4
Norway	0·1	0·1	0·1	11·2	15·3	13·9	..	..	..
Spain	0·2	0·2	0·1	7·1	10·0	12·7[4]	..	..	..
Sweden	0·2	0·1	0·1	8·6	9·6	15·9	5·4	9·0	15·2
Switzerland[3]	0·7	0·6	0·6	5·7	8·5	9·4	2·1	3·1	3·4
United Kingdom	0·9	0·3	0·2	6·0	7·3	7·2	3·1	4·3	4·3
United States	0·5	0·4	0·4	6·5	7·8	8·4	3·4	4·3	4·8

[1] Households include unincorporated businesses.

[2] Fiscal years beginning 1 July of year indicated.

[3] Former SNA.

[4] In 1979.

Analysis of taxes by type of tax as percentage of total taxes including social security contributions

TABLE 4

	Percentages							
	1970	1974	1975	1976	1977	1978	1979	1980
AUSTRALIA[1]								
Taxes on income:								
Paid by households[2]	37·7	44·3	43·9	45·3	45·8	44·3	44·7	44·2
Paid by corporations	16·9	14·0	12·4	11·9	12·0	10·8	10·4	12·1
Total	54·6	58·3	56·2	57·2	57·8	55·1	55·1	56·3
Taxes on expenditure	42·7	40·1	42·3	41·4	40·9	43·9	44·3	43·3
Taxes on capital	2·7	1·6	1·5	1·4	1·3	1·0	0·7	0·4
Social security contributions	—	—	—	—	—	—	—	—
AUSTRIA								
Taxes on income:								
Paid by households[2]	24·8	26·5	24·6	25·3	25·3	27·2	26·6	26·7
Paid by corporations	5·5	4·7	5·2	4·4	4·3	4·1	4·3	4·2
Total	30·2	31·2	29·8	29·8	29·6	31·3	30·9	30·9
Taxes on expenditure	45·4	44·3	43·6	43·0	42·9	39·4	39·6	39·0
of which VAT	—	18·5	19·7	21·7	20·5	19·5	20·1	19·8
Taxes on capital	0·2	0·1	0·2	0·2	0·2	0·2	0·2	0·2
Social security contributions	24·2	24·3	26·4	27·1	27·4	29·1	29·4	30·0
BELGIUM[3]								
Taxes on income:								
Paid by households[2]	25·0	30·0	32·6	32·4	34·2	36·1	36·5	36·2
Paid by corporations	7·0	8·2	7·5	6·9	6·4	6·3	6·5	6·0
Total	32·0	38·2	40·1	39·2	40·6	42·4	43·0	42·2
Taxes on expenditure	37·3	30·6	28·0	29·1	28·2	27·9	27·5	27·7
of which VAT	1·1	18·5	16·1	17·7	17·2	17·5	17·2	16·0
Taxes on capital	1·0	0·7	0·8	0·7	0·8	0·9	0·9	0·8
Social security contributions	29·7	30·6	31·2	31·0	30·4	28·9	28·6	29·3
of which paid by employers	19·9	20·7	21·0	20·8	20·6	19·4	19·3	19·8
CANADA								
Taxes on income								
Paid by households[2]	32·8	32·8	33·9	34·7	35·7	34·8	34·8	35·6
Paid by corporations	12·2	15·0	14·7	12·4	11·6	12·2	13·3	13·7
Total	45·0	47·8	48·6	47·1	47·3	47·0	48·1	49·3
Taxes on expenditure	44·0	41·8	39·7	40·5	40·5	40·5	40·1	39·3
Taxes on capital	2·0	0·7	0·8	0·7	0·7	0·6	0·5	0·4
Social security contributions	9·0	9·7	10·9	11·7	11·5	11·9	11·2	11·1
of which paid by employers	5·4	6·0	6·7	7·3	7·1	7·2	6·9	6·7
FINLAND								
Taxes on income:								
Paid by households[2]	36·7	41·1	41·8	44·3	42·6	39·1	38·1	39·0
Paid by corporations	5·8	4·6	5·0	5·3	4·3	4·5	4·5	4·6
Total	42·6	45·7	46·8	49·6	46·9	43·6	42·6	43·6
Taxes on expenditure	43·2	38·0	35·8	33·6	36·6	40·6	42·5	42·2
Taxes on capital	0·3	0·2	0·2	0·4	0·3	0·3	0·2	0·2
Social security contributions	14·0	16·0	17·2	16·4	16·2	15·6	14·6	14·0

Analysis of taxes by type of tax as percentage of total taxes including social security contributions

TABLE 4 (*continued*)

	Percentages							
	1970	1974	1975	1976	1977	1978	1979	1980
FRANCE								
Taxes on income:								
Paid by households²	13·5	12·3	13·6	14·6	14·9	14·7	14·1	14·3
Paid by corporations	6·7	8·1	5·8	6·3	6·0	5·2	5·2	5·9
Total	20·2	20·4	19·4	20·9	20·9	19·9	19·3	20·2
Taxes on expenditure	42·8	40·3	39·0	38·3	36·6	37·4	37·4	36·1
of which VAT	25·4	24·6	23·0	23·4	20·9	21·3	21·4	20·9
Taxes on capital	0·7	0·6	0·7	0·5	0·5	0·6	0·6	0·6
Social security contributions	36·3	38·7	40·9	40·3	42·0	42·2	42·8	43·2
of which paid by employers	26·3	27·8	29·5	28·7	29·5	29·7	29·2	28·9
GERMAN FEDERAL REPUBLIC								
Taxes on income:								
Paid by households²	25·8	29·9	28·1	28·5	29·0	27·7	26·8	27·4
Paid by corporations	5·3	4·0	3·7	4·2	5·1	5·0	5·1	4·5
Total	31·1	34·0	31·8	32·7	34·1	32·7	31·9	31·9
Taxes on expenditure	37·2	32·4	32·6	31·4	30·9	32·0	32·7	32·3
of which VAT	16·3	13·5	13·9	13·3	13·0	14·3	15·3	15·9
Taxes on capital	0·2	0·1	0·1	0·2	0·2	0·2	0·2	0·2
Social security contributions	31·5	33·6	35·5	35·7	34·9	35·2	35·2	35·6
of which paid by employers	16·3	17·9	18·7	18·7	18·3	18·4	18·5	18·7
GREECE³								
Taxes on income:								
Paid by households²	12·0	14·3	10·9	10·1	11·4	11·6	12·8	..
Paid by corporations	2·1	6·1	4·2	8·6	3·7	4·1	3·8	..
Total	14·1	20·3	15·1	18·7	15·1	15·6	16·6	..
Taxes on expenditure	58·2	52·2	57·1	52·8	54·5	53·3	52·6	..
Taxes on capital	1·4	1·1	1·1	1·2	1·7	1·7	1·6	..
Social security contributions	26·4	26·4	26·8	27·4	28·7	29·4	29·2	..
IRISH REPUBLIC								
Taxes on income								
Paid by households²	..	..	..	..	..	..	..	..
Paid by corporations	..	..	..	..	..	..	..	..
Total	27·2	29·1	29·7	30·1	31·2	32·1	34·0	..
Taxes on expenditure	58·7	52·8	50·7	51·7	50·5	49·2	46·8	..
of which VAT	—	15·2	13·8	14·7	16·0	18·3	16·1	..
Taxes on capital	1·2	1·6	1·1	0·5	0·5	0·5	0·4	..
Social security contributions	13·0	16·5	18·6	17·7	17·9	18·2	18·8	..
ITALY								
Taxes on income:								
Paid by households²	15·3	17·6	18·5	20·1	21·9	24·8	24·2	27·0
Paid by corporations	4·6	3·9	4·8	5·1	5·0	5·5	5·4	5·1
Total	19·9	21·5	23·2	25·2	27·0	30·2	29·6	32·2
Taxes on expenditure	40·7	36·2	31·5	32·8	33·7	31·9	30·8	31·2
of which VAT	—	17·1	13·8	14·7	15·2	13·9	13·2	14·7
Taxes on capital	0·7	0·3	0·2	0·2	0·2	0·2	0·2	0·2
Social security contributions	38·8	42·0	45·1	41·8	39·2	37·7	39·4	36·4
of which paid by employers	31·4	34·6	37·5	34·7	32·4	30·9	29·8	27·2

Analysis of taxes by type of tax as percentage of total taxes including social security contributions

TABLE 4 (*continued*)

	Percentages							
	1970	1974	1975	1976	1977	1978	1979	1980
JAPAN								
Taxes on income:								
Paid by households[2]	20·1	23·6	22·1	23·0	22·0	21·0	22·9	24·2
Paid by corporations	21·4	23·6	19·8	17·8	17·8	18·9	17·2	17·9
Total	41·4	47·2	41·9	40·7	39·8	39·8	40·1	42·1
Taxes on expenditure	35·8	29·7	28·9	29·5	30·0	29·7	29·7	28·9
Taxes on capital	1·0	1·0	0·9	0·9	0·8	0·9	0·8	0·7
Social security contributions	21·8	22·2	28·3	29·0	29·4	29·6	29·4	28·4
of which paid by employers	11·3	11·8	14·5	14·8	15·1	15·7	14·7	14·5
NETHERLANDS[1]								
Taxes on income:								
Paid by households[2]	27·8	28·4 ..	27·8	27·9	27·4	27·7	27·9	27·7
Paid by corporations	6·6	6·7	7·6	6·9	6·7	6·2	5·7	6,5
Total	34·4	35·0	35·4	34·8	34·1	33·8	33·7	34·2
Taxes on expenditure	28·5	24·9	24·7	26·0	27·4	27·5	26·8	26·2
of which VAT	14·5	14·1	14·1	14·7	15·7	15·8	15·5	15·6
Taxes on capital	0·6	0·5	0·4	0·4	0·4	0·4	0·5	0·5
Social security contributions	36·5	39·6	39·5	38·8	38·2	38·1	39·2	39·2
of which paid by employers	19·5	21·0	20·6	20·4	20·0	19·7	20·3	20·1
NORWAY								
Taxes on income:								
Paid by households[2]	..	..	..	..	..	..	..	..
Paid by corporations	..	..	..	..	..	..	..	..
Total	32·1	33·4	33·9	35·7	34·1	36·6	38·3	42·6
Taxes on expenditure	44·2	38·0	37·7	37·6	39·2	36·7	35·6	33·5
of which VAT	22·6	19·7	19·5	19·3	19·9	19·6	18·3	17·1
Taxes on capital	0·2	0·3	0·2	0·2	0·1	0·1	0·1	0·1
Social security contributions	23·5	28·4	28·3	26·5	26·7	26·6	25·9	23·8
SPAIN								
Taxes on income								
Paid by households[2]	6·4	8·6	9·3	10·3	11·1	14·3	15·5	..
Paid by corporations	13·0	11·9	12·0	11·4	10·4	9·3	9·0	..
Total	19·3	20·5	21·3	21·8	21·6	23·6	24·5	..
Taxes on expenditure	43·8	36·0	32·5	30·8	29·5	26·4	25·7	..
Taxes on capital	0·8	0·8	0·8	0·6	0·6	0·5	0·5	..
Social security contributions	36·1	42·7	45·4	46·8	48·4	49·5	49·4	..
SWEDEN								
Taxes on income:								
Paid by households[2]	46·2	45·2	46·1	43·9	41·7	43·1	43·3	41·1
Paid by corporations	3·7	3·4	2·5	2·8	2·9	2·1	2·2	2·4
Total	50·0	48·6	48·6	46·7	44·6	45·2	45·5	43·5
Taxes on expenditure	31·1	31·5	31·6	29·8	29·9	27·6	27·0	27·5
of which VAT	10·2	13·1	12·0	12·3	12·5	13·3	13·3	13·4
Taxes on capital	0·4	0·3	0·3	0·2	0·2	0·2	0·2	0·2
Social security contributions	18·6	19·7	19·6	23·3	25·3	27·0	27·3	28·8

Analysis of taxes by type of tax as percentage of total taxes including social security contributions

TABLE 4 (*continued*)

	Percentages							
	1970	1974	1975	1976	1977	1978	1979	1980
SWITZERLAND[3]								
Taxes on income:								
Paid by households[2]	35·9	37·5	38·7	39·4	38·6	37·6	37·5	37·4
Paid by corporations	9·8	9·8	9·7	9·8	8·7	8·4	7·6	7·4
Total	45·7	47·2	48·4	49·2	47·3	46·0	45·0	44·9
Taxes on expenditure	28·7	23·3	21·8	21·2	22·0	22·7	22·8	22·9
Taxes on capital	2·8	2·2	1·8	1·7	1·7	1·7	1·8	1·9
Social security contributions	22·8	27·3	27·9	27·9	29·1	29·7	30·4	30·4
UNITED KINGDOM								
Taxes on income:								
Paid by households[2]	32·5	35·0	39·4	39·2	35·7	34·6	31·4	30·9
Paid by corporations	8·9	9·9	6·4	5·3	6·5	7·3	7·6	8·2
Total	41·4	44·9	45·8	44·5	42·2	41·9	39·0	39·1
Taxes on expenditure	42·7	37·2	35·6	35·8	38·3	39·5	43·2	43·6
of which VAT	—	9·1	9·1	8·8	8·7	9·3	13·2	14·7
Taxes on capital	2·0	1·3	0·8	0·9	0·8	0·7	0·6	0·5
Social security contributions	13·9	16·7	17·8	18·9	18·8	18·0	17·1	16·9
of which paid by employers	7·1	9·3	10·6	11·4	11·3	10·8	10·3	10·1
UNITED STATES								
Taxes on income:								
Paid by households[2]	35·5	34·6	33·0	33·7	34·4	35·5	37·1	37·9
Paid by corporations	11·1	11·1	10·5	11·7	11·8	12·0	11·2	9·6
Total	46·6	45·8	43·6	45·4	46·2	47·4	48·3	47·5
Taxes on expenditure	32·0	29·2	30·8	29·1	28·3	27·0	25·5	26·3
Taxes on capital	1·6	1·5	1·3	1·3	1·6	1·1	1·1	1·0
Social security contributions	19·9	23·6	24·4	24·2	24·0	24·5	25·3	25·2
of which paid by employers	10·4	12·8	13·3	13·5	13·6	14·0	14·4	14·3

[1] Fiscal years beginning on 1 July of year indicated.

[2] Households include unincorporated businesses.

[3] Former SNA.

Taxes on income of households[1] and social security contributions as a percentage of total personal income in 1970, 1975 and 1980

TABLE 5

	Percentages								
	1970			1975			1980		
	Taxes on income	Social security contributions	Total	Taxes on income	Social security contributions	Total	Taxes on income	Social security contributions	Total
***(a)* Including employers' contributions**									
Australia[2]	12·0	—	12·0	15·0	—	15·0	16·2	—	16·2
Austria	11·2	10·9	22·1	11·5	12·4	23·9	12·9	14·5	27·4
Belgium[3]	9·4	11·2	20·6	13·1	12·5	25·6	14·8	12·0	26·8
Canada	13·7	3·8	17·5	13·7	4·4	18·1	14·2	4·4	18·6
Finland	14·7	5·6	20·3	17·6	7·2	24·8	16·3	5·9	22·2
France	5·4	14·5	19·9	5·3	15·9	21·2	6·2	18·7	24·9
German Federal Republic	10·1	12·3	22·4	11·4	14·4	25·8	11·6[4]	15·2[4]	26·8[4]
Italy	4·4	11·1	15·5	5·2	12·7	17·9	9·5	12·8	22·3
Japan	5·2	5·7	10·9	5·6	7·1	12·7	6·9	8·1	15·0
Netherlands	11·3	14·9	26·2	12·3	17·5	29·8	12·6	17·8	30·4
Spain	1·3	7·6	8·9	2·1	10·3	12·4	4·0[4]	12·7[4]	16·7[4]
Sweden	22·3	9·0	31·3	23·3	9·9	33·2	22·1	15·5	37·6
Switzerland[3]	10·3	6·6	16·9	12·4	8·9	21·3	12·3	10·0	22·3
United Kingdom	14·5	6·2	20·7	16·3	7·4	23·7	13·2	7·2	20·4
United States	12·4	6·9	19·3	11·2	8·3	19·5	13·3	8·8	22·1
***(b)* Excluding employers' contributions**									
Australia[2]	12·0	—	12·0	15·0	—	15·0	16·2	—	16·2
Belgium[3]	10·1	4·0	14·1	14·3	4·5	18·8	16·1	4·2	20·3
Canada	14·0	1·6	15·6	14·1	1·8	15·9	14·5	1·8	16·3
France	6·0	4·5	10·5	6·0	5·0	11·0	7·1	7·1	14·2
German Federal Republic	10·8	6·3	17·1	12·3	7·4	19·7	12·6[4]	7·9[4]	20·5[4]
Italy	4·8	2·3	7·1	5·8	2·3	8·1	10·5	3·6	14·1
Japan	5·4	2·8	8·2	5·8	3·6	9·4	7·2	4·1	11·3
Netherlands	12·3	7·6	19·9	13·5	9·2	22·7	13·9	9·6	23·5
Sweden	23·7	3·6	27·3	25·7	0·7	26·4	25·9	0·7	26·6
Switzerland[3]	10·5	4·3	14·8	12·8	5·9	18·7	12·8	6·6	19·4
United Kingdom	15·0	3·2	18·2	17·1	3·1	20·2	13·8	3·0	16·8
United States	12·8	3·4	16·2	11·7	3·9	15·6	14·0	4·0	18·0

[1] Households include unincorporated businesses.
[2] Fiscal years beginning on 1 July of year indicated.
[3] Former SNA.
[4] In 1979.

Index of sources

Data given on page **5** may be more recent than that shown elsewhere in the publication.

United Kingdom balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

	Page	*Source*	*Further statistics*
Average earnings	5,40	Department of Employment	**Monthly Digest of Statistics** **Employment Gazette**
Balance of payments	5,48	Central Statistical Office	**Financial Statistics** **Quarterly articles in Economic Trends**
Banking		Bank of England	**Financial Statistics**
Bank advances	62,64		
Bank of England's minimum lending rate (see also Interest rates)	66		
British government securities (long-dated)			
20 years yield	66		
Building societies		Central Statistical Office Building Societies Association	**Financial Statistics**
Advances on new dwellings	20		
Average prices of new dwellings on mortgage (see also Housing)	20		
Commitments on new dwellings	20		
Recommended share rate (see also Interest rates)	66		
Capital account summary, analysis by sector	58	Central Statistical Office	**Financial Statistics**
Car registrations and production (see also Motor vehicles)	12,32		
CBI Intentions Inquiry (see also Fixed investment)	18		
Coal (see also Fuel and power)	24		
Commercial vehicles, production (see also Motor vehicles)	32		
Companies		Central Statistical Office	**Financial Statistics**
Financial companies			
Capital account, financial surplus/deficit	58		
Saving	58		
Gross trading profits	60		
In relation to total domestic income	14		**Monthly Digest of Statistics** **Financial Statistics**
Industrial and commercial companies	60		
Appropriation account	60		
Dividends, interest and current transfer payments	60		
Fixed investment	62		
Income	60		
Net borrowing requirement	62		
Saving	60,62		
Security prices and yields (see also Interest rates)	66		
Stock appreciation	60		
Taxes	60		
Construction industry		Department of the Environment	**Housing and Construction Statistics**
Index of industrial production (see also Industrial production)	26		
Orders received	18,20,30		
Output	30		

	Page	*Source*	*Further statistics*
Consumer credit	12	Central Statistical Office	Financial Statistics
Consumers' expenditure		Central Statistical Office	Monthly Digest of Statistics
Component categories	10		
In relation to personal income	10		
In relation to total final expenditure	14		
Per capita	14		
Counterparts to changes in money stock	54	Bank of England	Financial Statistics
Current balance (see also Balance of payments)	5,48		
Cyclical indicators	68		
Distributive trades		Central Statistical Office	Monthly Digest of Statistics
Output (see also Retail sales; Stocks)	28		
Dividends, interest and current transfer payments	60		
Domestic income (see also Incomes)	14		
Dwellings (see Housing)	20		
Earnings (average)	5,40	Department of Employment	Monthly Digest of Statistics Employment Gazette
Effective exchange rate of sterling	50	HM Treasury	Financial Statistics
Electricity (see also Fuel and power)	24,26		
Employed labour force	34,36	Central Statistical Office	Monthly Digest of Statistics
Employees in employment		Department of Employment	Monthly Digest of Statistics Employment Gazette
All industries and services	34,36		
Index of production industries, manufacturing industries	34		
Energy (see also Fuel and power)	24,26		
Engineering industries		Department of Industry	Monthly Digest of Statistics British business
Sales and orders: total, home market and export	30		
Eurodollar 3-month rate (see also Interest rates)	66		
Exchange rates	5,50	Bank of England	Financial Statistics
Expenditure (see also Total final expenditure)	8,14		
Exports		Department of Trade	Monthly Digest of Statistics British business Monthly Review of External Trade Statistics
Of goods			
Unit value index	44		
Unit value index for manufactures (international comparisons)	46		
Value	48		
Volume index	44		
Of goods and services	8,14	Central Statistical Office	Monthly Digest of Statistics
Of passenger cars, commercial vehicles	32		
Orders: engineering industries	30		
Relative prices (as measure of trade competitiveness)	46	Department of Trade	Monthly Review of External Trade Statistics
Relative profitability (as measure of trade competitiveness)	46	Department of Trade	Monthly Review of External Trade Statistics
Final expenditure (see also Total final expenditure)	8,14		
Financial companies (see Companies)	58		

	Page	Source	Further statistics
Fixed investment			
By industrial and commercial companies (see also Companies)	62		
By sector and by type of asset	16	Central Statistical Office	Monthly Digest of Statistics
Dwellings (see Housing)	16,20		British business
In relation to total final expenditure	8,14		Monthly Digest of Statistics
Manufacturing industry			
CBI Intentions Inquiry	18	Confederation of British Industry	Industrial Trends Survey
Contractors' orders for private industrial work	18	Department of the Environment	Housing and Construction Statistics
In plant and machinery, new buildings and work	18	Department of Industry	Monthly Digest of Statistics
Investment Intentions Inquiry	18		British business
Fuel and power			
Consumers' expenditure on fuel and light	10	Central Statistical Office	Monthly Digest of Statistics
Industrial production: index for gas, electricity and water industries	26		Monthly Digest of Statistics
Primary fuel input: total, coal and petroleum	24	Department of Energy	United Kingdom Energy Statistics
Public supply: electricity	24		Energy Trends
Gas (see also Fuel and power)	24,26		
General government consumption of goods and services	8,14	Central Statistical Office	Monthly Digest of Statistics
Receipts and expenditure	56		Financial Statistics
Gross domestic fixed capital formation (see Fixed investment)	14,16,20,60		
Gross domestic product	6	Central Statistical Office	Monthly Digest of Statistics
And components of final expenditure	8		
In relation to output	28		
In relation to stocks	22		
Per capita	14		
Gross national product *per capita*	14	Central Statistical Office	Not published elsewhere
Gross trading profits of companies (see Companies)	60		
Hire purchase debt	12	Department of Industry	Monthly Digest of Statistics British business Financial Statistics
Hours worked	36	Department of Employment	Monthly Digest of Statistics Employment Gazette
Housing			
Average price of new dwellings mortgages approved	20	Department of the Environment Building Societies Association	Housing and Construction Statistics
Commitments and advances on new dwellings	20	Building Societies Association	Financial Statistics
Consumers' expenditure on housing	10	Central Statistical Office	Monthly Digest of Statistics
Fixed investment in dwellings	16,20		
Orders received by contractors for new houses	20	Department of the Environment	Monthly Digest of Statistics
Starts and completions	20	Scottish Development Department	Housing and Construction Statistics
Imports			
Of goods		Department of Trade	Monthly Digest of Statistics
Unit value index	44		British business
Value	48		
Volume index	44		
Of goods and services in relation to total final expenditure	8	Central Statistical Office	Monthly Digest of Statistics
Price competitiveness	46	Central Statistical Office	Not published elsewhere
Incomes		Central Statistical Office	Monthly Digest of Statistics
Company income (see also Companies)	60		
Income from employment as a percentage of total domestic income (see also Wages; Earnings)	14		
Personal disposable income	10		
Per capita	14		
Personal income before tax	10		
Total domestic income	14		

	Page	Source	Further statistics
Industrial commercial companies (see also Companies)	60		
Industrial production: index	5,26	Central Statistical Office	Monthly Digest of Statistics
By market sector	26		
By selected industries	26		
In relation to output	28		
In relation to stocks (manufacturing industries)	22		
Inter-bank 3-month rate (see Interest rates)	66		
Interest rates	66		Financial Statistics
Bank of England's minimum lending rate		Central Statistical Office Bank of England HM Treasury Building Societies Association *Financial Times* Institute of Actuaries Faculty of Actuaries	
British government securities long-dated (20 years) yield			
Building Societies Association recommended share rate			
Eurodollar 3-month rate			
Financial Times index of industrial ordinary shares			
Inter-bank 3-month rate			
Local authorities 3-month deposit rate			
London clearing banks base rate and 7-day deposits			
Sterling certificates of deposit			
Treasury bill yield			
US $ deposits in London			
Invisibles (see also Balance of payments)	48		
Liquidity, private sector	52	Bank of England	Financial Statistics
Local authorities 3-month deposit rate (see also Interest rates)	66		
London clearing banks rates (see also Interest rates)	66		
Manufacturing industry (see Banking; Employees in employment; Fixed investment; Hours worked; Industrial production; Output per person employed; Output per person hour; Stocks; Wage rates; Wages and salaries)			
Money stock	5,52,54	Bank of England	Financial Statistics
Motor vehicles			
Consumers' expenditure on cars and motor-cycles	10	Central Statistical Office	Monthly Digest of Statistics
New car registrations	12	Department of the Environment Department of Industry	Monthly Digest of Statistics British business
Production of passenger cars and commercial vehicles: total and for export	32	Department of Industry	
National disposable income	6	Central Statistical Office	
Official reserves	5,50	HM Treasury	Financial Statistics Monthly Digest of Statistics
Orders received			
By construction industry (see also Construction)	18,20,30	Department of the Environment	Housing and Construction Statistics
By contractors for private industrial work	18		
By engineering industries (see also Engineering)	30		
Output			
By construction industry (see also Construction)	30	Central Statistical Office	Monthly Digest of Statistics
By engineering industries	30		
Index numbers by industry groups	28		
Per person employed	34		
Per person hour: manufacturing industry	34		
Overseas trade (see Exports; Imports; Visible trade)			
Personal disposable income	10,14	Central Statistical Office	Monthly Digest of Statistics
Personal income before tax	10	Central Statistical Office	Monthly Digest of Statistics

	Page	*Source*	*Further statistics*
Petroleum (see also Fuel and power)	24		
Population			
Estimates *per capita*, income, product and spending	14	Central Statistical Office	Not published elsewhere
Working	36	Department of Employment	Monthly Digest of Statistics Employment Gazette
Prices			
Average price of new dwellings on mortgage (see also Housing)	20		
Pensioner price indices	42	Department of Employment	Employment Gazette
Relative wholesale prices (as measure of trade competitiveness)	46	Department of Trade	Not published elsewhere
Retail price index	5,42	Department of Employment	Monthly Digest of Statistics Employment Gazette
Tax and price index	5		
Wholesale price index; input and output	5,42	Department of Industry	Monthly Digest of Statistics British business
Wholesale price index (international comparisons)	46	Department of Trade	Not published elsewhere
World commodity prices index	44	Department of Industry	British business
Private sector			
Capital account, financial surplus/deficit	58	Central Statistical Office	Financial Statistics
Gross fixed investment	14,16		Monthly Digest of Statistics
Housing starts and completions (see Housing)	20		
Liquidity	52	Bank of England	Financial Statistics
Production (see Industrial production; Motor vehicles; steel)	26		
Profits (see Companies)	60		
Profits and dividends in invisible trade (see Balance of payments)			
Public sector		Central Statistical Office	Financial Statistics
Borrowing requirement	54,56		
Expenditure	56		
Capital account, financial surplus/deficit	58		
Fixed investment	14,16		
Housing starts and completions (see Housing)			
Receipts	56		
Purchasing power of the pound	42	Central Statistical Office	Not published elsewhere
Regional unemployment rates (see Unemployment)			
Rent and non-trading income; I and C Companies	60		
Retail price index (see also Prices)	5,42		
Retail sales			
Volume index numbers	5,12	Department of Industry	Monthly Digest of Statistics British business
Value index numbers	12		
Ratio of distributors' stocks to retail sales	22	Central Statistical Office Department of Industry	
Salaries (see also Wages and salaries)	40		
Saving, company (see also Companies)	58,60,62		
Savings ratio, personal	10	Central Statistical Office	Monthly Digest of Statistics
Services (see Balance of payments)	48		

	Page	*Source*	*Further statistics*
Steel production and consumption	32	Department of Industry	Monthly Digest of Statistics
Sterling certificates of deposit (see Interest rates)	66		
Sterling			
effective exchange rate	5,50	HM Treasury	Financial Statistics
exchange rates against major currencies	50	Bank of England	
Stock appreciation, company sector (see Companies)	60		
Stocks			
Changes by industry groups	22	Central Statistical Office	Monthly Digest of Statistics British business
Ratios: total stocks to GDP(E), manufactured stocks to manufacturing production, distributors' stocks to retail sales	22		
Total changes in relation to GDP(E)	8		Monthly Digest of Statistics
Tax and price index	5		Monthly Digest of Statistics
Taxes		Central Statistical Office	Financial Statistics
On capital	56		
On income	56		
On expenditure	56		
Payment of taxes by companies	60		
Terms of trade	44	Department of Trade	Monthly Digest of Statistics British business
Total domestic income (see also Incomes)	14		
Total final expenditure on goods and services	8,14	Central Statistical Office	Monthly Digest of Statistics
Trade competitiveness measures	46	Department of Trade Central Statistical Office International Monetary Fund	Monthly Review of External Trade Statistics International Financial Statistics
Transfers (see Balance of payments)	48		
Treasury bill yield (see also Interest rates)	66		
Undistributed income; I and C Companies	60,62		
Unemployment		Department of Employment	Monthly Digest of Statistics Employment Gazette
Regional unemployment rates	38		
Total unemployed; unemployed excluding school-leavers and adult students; including school-leavers	5,36		
Unfilled vacancies	5,36	Department of Employment	Monthly Digest of Statistics Employment Gazette
Unit labour costs (international comparisons)	46	International Monetary Fund	International Financial Statistics
Unit values of exports and imports (see also Exports; Imports)	44		
Vacancies notified and remaining unfilled	5,36		
Visible trade (see also Exports; Imports)	5,44,48	Central Statistical Office Department of Trade	Monthly Digest of Statistics British business
Wage rates, basic weekly	40	Department of Employment	Monthly Digest of Statistics Employment Gazette
Wages and salaries			
In relation to personal income before tax	10	Central Statistical Office	Monthly Digest of Statistics
Per unit of output	40	Central Statistical Office Department of Employment	Monthly Digest of Statistics Employment Gazette
Wholesale price index (see also Prices)	42		
Working population (see also Population)	36		

Printed in England for Her Majesty's Stationery Office
by Bemrose Printing, Confidential and Information Products, Derby.

Dd 718965 C37 12/82

ISBN 0 11 620022 7
ISSN 0013-0400

CENTRAL STATISTICAL OFFICE

CSO Indexes to the Standard Industrial Classification

Revised 1980

This vital companion to the **SIC Revised 1980** is two indexes. It provides quick and easy reference to the list of typical products and activities for each heading of the Standard Industrial Classification.

The first index is numerical, listing each heading of the SIC followed by the characteristic activities listed under that numerical heading. In the second index, the activities have been arranged alphabetically. Alongside each is the numerical heading to which the activity is classified.

Wherever possible, both indexes also include references to the equivalent SIC Revised 1968 and NACE numbers.

This important publication fills the gap for everyone who will need to acquaint themselves fully with the new classification; which will be in general use by 1983 when most of the major economic statistics are rebased to 1980.

Price £12.95 net

(ISBN 0 11 62000 1 4)

CSO books are available from:

Open University Educational Enterprises Ltd and
Her Majesty's Stationery Office

(whose addresses are on the back cover) and through booksellers.

CSO

How to find the figures

Earnings, betting and gaming, travel, population projections and estimates, retail trading, education in schools, universities—do you know where to get the essential facts and figures?

Government Statistics—a brief guide to sources, a handy free booklet from the Government Statistical Service lists the most important official statistical publications. The departmental contact points for statistical information are also given, including the addresses and telephone numbers of the general enquiry points at the Central Statistical Office, the Statistics and Market Intelligence Library and the Business Statistics Office.

Government Statistics
A brief guide to sources

For your copy send a stamped, addressed envelope direct to the CSO Press and Information Service, Room 61A/G Great George Street, London SW1P 3AQ.

Name
Company
Position
Address
No. of copies

Articles published in *Economic Trends*

National income and expenditure. An article containing quarterly figures is published every January, April, July and October

UK balance of payments. An article showing quarterly figures is published every March, June, September and December

Cyclical indicators for the UK economy. An article showing individual indicators is published every February, May, August and November

Other Articles

1980

March	The change in revenue from an indirect tax change Trends in sales of land and buildings, 1973–79
April	The Budget: 26 March 1980 Economic prospects to mid-1981
May	Cyclical indicators: some developments and an assessment of performance Measures of UK trade competitiveness in manufactures
June	Manufacturing industry in the seventies; an assessment of import penetration and export performance Measures of variability in economic time series
July	Research and development: expenditure and employment, 1978
August	Measuring the public sector borrowing requirement
September	United Kingdom air transport: an international industry Skill shortages
October	UK visible trade in the post-war years
November	National and sector balance sheets for the United Kingdom Employment in the public and private sectors, 1974 to 1980 Regional accounts: estimates for 1978 and 1979
December	A comparison of public services employment in the United Kingdom with five other European countries International comparisons of taxes and social security contributions, 1971–78

1981

January	Revisions to index numbers of production The effects of taxes and benefits on household income, 1979
February	The distribution of income in the United Kingdom, 1978/79 Exports and imports of services analysed by industry Seasonal adjustment of the overseas trade figures
March	The effective exchange rate for sterling
May	Revisions to estimates of economic growth The energy coefficient revisited
July	A new output enquiry for the construction industry Financial wealth of the non-bank private sector
August	Movements in UK costs and prices: 1973–79 Research and development: expenditure and employment in the seventies
September	Recent developments in economic accounts for agriculture The household sector
October	Additional tables on national income and expenditure
November	Regional accounts, 1980 Committed and discretionary saving
December	Employment in the public and private sectors, 1975–81 Agricultural incomes International comparisons of taxes and social security contributions, 1970–79

1982

January	The effects of taxes and benefits on household income, 1980 Labour productivity: output per person hour in manufacturing
February	Quarterly survey of UK company sources and uses of funds: summary of results 1977-80 Effects of leasing on statistics of manufacturing capital expenditure
March	The Budget: 9 March 1982 The economy: recent developments and prospects to mid-1983
April	International comparisons of gross domestic product
August	Central government expenditure on research and development
October	A new index of average house prices
November	Regional accounts, 1981

For articles published in earlier issues see the list in Economic Trends, No. 316, February1980. Copies of articles may be obtained from the Publications Unit, Central Statistical Office, Great George Street, London SW1P3AQ, on payment of £1 per copy to cover postage and handling. The appropriate remittance should accompany each order. Cheques, etc., should be made payable to the Cabinet Office.

Economic Trends

Economic Trends brings together all the main economic indicators. The largest section gives time series and graphs over the last five years or so. It is preceded by several pages of the latest information and followed by an analysis of indicators in relation to the business cycle over the last 20 years. Other articles comment on and analyse economic statistics.

Economic Trends is the primary publication for the quarterly national accounts and balance of payments articles.

Other CSO monthlies are the *Monthly Digest of Statistics* and *Financial Statistics.*

Economic Trends Annual Supplement is a unique source for long runs of quarterly and annual data for the key series of economic indicators. About half span 25 years or more.

Central Statistical Office publications are published by
Her Majesty's Stationery Office and are marketed by
Open University Educational Enterprises Ltd.
They are obtainable from both HMSO and OUEE.

Government Bookshops

49 High Holborn, London WC1V 6HB
13A Castle Street, Edinburgh EH2 3AR
Brazennose Street, Manchester M60 8AS
Southey House, Wine Street, Bristol BS1 2BQ
258 Broad Street, Birmingham B1 2HE
80 Chichester Street, Belfast BT1 4JY

and through booksellers.

Open University Educational Enterprises Ltd
12 Cofferidge Close
Stony Stratford
MILTON KEYNES MK11 1BY

£9.75 net
(Annual subscription including Annual Supplement and postage £134.10)